

**STANROSE MAFATLAL**  
**INVESTMENTS AND FINANCE LIMITED**



**38<sup>TH</sup>**  
**ANNUAL REPORT 2017-2018**

# STANROSE MAFATLAL

## INVESTMENTS AND FINANCE LIMITED

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<b>STATUTORY AUDITORS</b>		HDFC BANK LTD.                      AXIS BANK LTD
MANUBHAI & SHAH LLP		IDBI BANK LTD.
Chartered Accountants		<b>CORPORATE OFFICE</b>
<b>SECRETARIAL AUDITORS</b>		VIJYALAXMI MAFATLAL CENTRE
MANOJ HURKAT & ASSOCIATES		57-A, DR. G. DESHMUKH MARG,
Company Secretaries		MUMBAI - 400 026.
<b>REGISTERED OFFICE</b>		<b>SHARE TRANSFER AGENT</b>
6TH FLOOR, POPULAR HOUSE,		LINK INTIME (INDIA) PVT. LTD.,
ASHRAM ROAD, AHMEDABAD-380 009,		5th Floor, 506-508,
GUJARAT.		Amarnath Business Centre-1 (ABC-1),
Email: <a href="mailto:info@stanroseinvest.com">info@stanroseinvest.com</a>		B/s. Gala Business Centre,
Website: <a href="http://www.stanroseinvest.com">www.stanroseinvest.com</a>		Nr. St. Xavier's College Corner,
<b>LISTED ON : BSE, CODE : 506105</b>		Off C. G. Road, Ellisbridge,
<b>DEMAT CODE : ISIN : INE441L01015</b>		Ahmedabad - 380 006
		Tel. 079 26465179
		Email: <a href="mailto:ahmedabad@linkintime.co.in">ahmedabad@linkintime.co.in</a>
		Website: <a href="http://www.linkintime.co.in">www.linkintime.co.in</a>

Shareholders intending to require any information about the accounts to be explained in the Meeting are requested to inform the Company at least ten days in advance of the Annual General Meeting.

Thirty-Eighth Annual General Meeting on 25th September, 2018 at 'Banquet Hall', Karnavati Club Limited, S. G. Highway, Ahmedabad - 380 058.



## STANROSE MAFATLAL INVESTMENTS AND FINANCE LIMITED

### DIRECTORS' REPORT

To

The Members,

#### STANROSE MAFATLAL INVESTMENTS AND FINANCE LIMITED

Your Directors have pleasure in presenting the Thirty-Eighth Annual Report together with the Audited Statements of Account of the Company for the financial year ended 31st March, 2018.

#### FINANCIAL RESULTS

	(Rupees in Lacs)	
	Current Year	Previous Year
	Rupees	Rupees
Total Income	915.34	942.37
Gross Profit	525.86	581.42
Less: Depreciation	40.92	40.66
Profit before Tax	484.94	540.76
Less: Provision for Taxation	68.78	93.18
Less : Exceptional Item	75.63	—
Adjustments of earlier years Tax	(1.22)	12.95
Profit after Tax	341.75	434.63
Add: Profit brought forward from Previous Year	1742.24	1404.61
Balance Available for Appropriations	2083.98	1839.24
Less: Transfer to Reserve u/s. 45 IC of RBI Act, 1934	70.00	87.00
Transfer to General Reserve-I	10.00	10.00
Transfer to General Reserve-II	—	—
Dividend Paid	238.07	—
Tax on Dividend	48.47	—
Balance carried forward	1717.44	1742.24

#### DIVIDEND

Your Directors recommend a Dividend of Rs. 6/- per share (Previous Year Rs. 6/-) on 39,67,920 Equity Shares of Rs.10 each aggregating to Rs. 286.54 Lacs (inclusive of dividend tax) for the financial year ended on 31st March, 2018. If approved by the Shareholders at the forthcoming Annual General Meeting to be held on 25th September, 2018, the said dividend will be paid on 10th October, 2018 or thereafter, to (i) those shareholders whose names appear on the Register of Members of the Company on 18th September, 2018 and (ii) those whose names as beneficial owners are furnished by National Securities Depository Limited and Central Depository Services (India) Limited, for the purpose.

#### MANAGEMENT DISCUSSION AND ANALYSIS (MD&A)

##### FINANCIAL REVIEW

The total income for the year was Rs. 915.34 Lacs as compared to Rs. 942.37 Lacs in the previous year. Depreciation was Rs. 40.92 Lacs (Previous Year Rs. 40.66

Lacs). The increase in depreciation is mainly on account of change in charging provisions under the Companies Act, 2013, based on useful life of asset instead of fixed percentage under the Companies Act, 1956. The Provision for Taxation: (i) for the year under report was Rs. 68.78 Lacs (ii) Adjustments of earlier year tax was Rs. 1.22 Lacs. Profit after tax was Rs. 341.75 Lacs. The total income and the profit for the year is low, mainly on account of waiving off the interest amount outstanding of around Rs. 75.63 Lacs from Surcot Trading Private Limited (Surcot), as Surcot will be merged with the Company.

An amount of Rs. 70.00 Lacs was transferred to Statutory Reserve Fund pursuant to Section 45 IC of RBI Act, 1934, an amount of Rs. 10.00 Lacs was transferred to General Reserve I, during the year under review.

The Net Worth of the Company as at 31st March, 2018 stood at Rs. 5802.21 Lacs as against Rs. 5747.01 Lacs on 31st March, 2017.

#### NBFC INDUSTRY

The NBFC (Non-Banking Finance Company) sector has evolved considerably in terms of its size, operations, technological sophistication and entry into newer areas of financial services and products. NBFCs are now deeply interconnected with the entities in the financial sector, on both sides of their balance sheets.

Being financial entities, they are exposed to risks arising out of counterparty failures, funding and asset concentration, interest rate movement and risks pertaining to liquidity and solvency, as any other financial sector player.

#### Business Review

The Company's operations continue to be mainly focused in the areas of Inter- corporate Investments, Capital Market activities and Financing. Segment-wise brief outline of financial and operational performance during the year under report is as under:

##### (i) Investments

The Company's investment portfolio is reviewed from time to time to buy securities to add to the Portfolio or to sell in order to make Capital gains. Details of the Company's investments are given under Note No. 7 to Financial Statements of the Company for the year ended on 31st March, 2018. The total worth of Company's Quoted and Unquoted Investments in Shares and Securities (Including Stock-in-trade) as at 31st March, 2018 is Rs. 4305.22 Lacs (Previous Year Rs.4718.40 Lacs) which is 48.31% (Previous Year 70.22%) higher than related Book Value. The decrease in Book Value from 70.22% to 48.31% is mainly on account of decrease in the market value of some of the shares, purchase of new shares at current-higher rates and sale of old-low cost shares from Non-current Investment portfolio.

During the year under report the Company:

- (a) has made disinvestment of Rs. 568.29 Lacs from its Non-current Quoted Equity Investments as against Rs. 191.27 Lacs in the Previous Year.
- (b) Booked a net profit of Rs. 731.26 Lacs on sale of Non-Current investments as against Rs. 682.95 Lacs in the previous year.
- (c) earned income by way of Dividend of Rs. 103.94 Lacs against Rs. 108.02 Lacs in the previous year which inter alia includes Rs. 93.03 Lacs (Previous year Rs. 93.03 Lacs) received from Standard Industries Ltd.

After the close of the Financial Year ended on March 31, 2018, the Company has booked Net Capital Gain of Rs.13.03 Lacs on sale of certain Non-Current Investments in shares of the aggregate book value of Rs. 329.17 Lacs.

## **(ii) Finance**

### **Interest on Inter-corporate Deposit:**

As the Company has waived-off the interest from Surcot Trading Private Limited for the year, the Company has not earned any interest income on Inter-Corporate Deposits as against Rs. 141.26 Lacs in the previous year.

### **Opportunities and Threats**

As various factors are posing constant threats and high volatility in the Capital Markets, it appears beneficial to diversify the portfolio to reduce the risk and insulate from the vagaries of stock-market. Mutual Funds help to reduce risk through diversification and professional management and therefore, the Company invests its surplus funds in debt/equity oriented Mutual Funds. One of the biggest advantages of Mutual Fund investment is Liquidity. Open-end funds provide option to redeem on demand, which is beneficial during rising or falling markets. The management is exploring other avenues of business.

### **Outlook**

The Company intends to continue focusing on capital market activities including trading in securities and emerging products in derivatives.

### **Risk and Concern**

The Company is exposed to specific risks that are particular to its business and the environment within which it operates, including interest rate volatility, economic cycle, credit and market risks. The Company has quoted investments which are exposed to fluctuations in stock prices. These investments represent a material portion of the Company's business and are vulnerable to fluctuations in the stock markets. Any decline in prices of the Company's quoted investments may affect its financial

position and the results of its operations. It continuously monitors its market exposure and tries to manage these risks by following prudent business and risk management practices.

### **Adequacy of Internal Control**

The Company has a proper and adequate system of internal control in all spheres of its activities to ensure that all its assets are safeguarded and protected against loss from unauthorized use or disposition and that the transactions are authorized, recorded and reported diligently. The Internal control is supplemented by an effective internal audit being carried out by an external firm of Chartered Accountants.

The Company ensures adherence to all internal control policies and procedures as well as compliances with all regulatory guidelines.

The Audit Committee of the Board of Directors reviews the adequacy of internal controls.

### **Human Resources**

Relations remained cordial with employees at all levels during the year.

### **CORPORATE GOVERNANCE**

The Company has complied with applicable provisions of Corporate Governance as provided under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. A separate report on Corporate Governance compliance is included as a part of the Annual Report along with the Auditors' Certificate.

### **DEPOSITS**

Your Company has not accepted any public deposits during the year under review.

### **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the requirements of Section 134(5) of the Companies Act, 2013, with respect to Directors' Responsibility Statement, the Directors confirm that:

1. In the preparation of the annual accounts for the financial year ended 31st March, 2018, the applicable accounting standards have been followed and that there are no material departures from the same;
2. Accounting policies selected were applied consistently. Reasonable and prudent judgments and estimates were made so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2018 and of the profit for the year ended on that date;
3. Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the

## STANROSE MAFATLAL INVESTMENTS AND FINANCE LIMITED

assets of the Company and for preventing and detecting fraud and other irregularities;

4. The annual Accounts for the Financial Year ended 31st March, 2018 have been prepared on a 'going concern' basis.
5. Proper internal financial controls were in place and that the financial controls were adequate and were operating effectively.
6. Proper systems devised to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

### SUBSIDIARY COMPANIES

The Company's wholly owned subsidiary, Stan Plaza Limited is a Non-Listed Company, having its Registered Office at Mumbai. As on March 31, 2018, in accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, it will be termed as a Non-Material Subsidiary of the Company.

Stanrose Mafatlal Lubechem Limited - In Liquidation, a substantially owned subsidiary of the Company was ordered to wind-up by the High Court of Mumbai vide its Order dated June 10, 2011 and appointed the Official Liquidator to take charge of its Assets, Bank Accounts, Books of Accounts, Affairs, Business and Properties with all powers under the then provisions of the Companies Act, 1956.

In compliance with the requirements of the provisions of Section 129(3) read with Rule 5 of Companies (Accounts) Rules, 2014, a Statement in Form AOC-1 containing the salient features of financial statements in respect of Stan Plaza Limited, a wholly owned subsidiary of the Company has been included as a part of this Annual Report. Stanrose Mafatlal Lubechem Limited being inoperative, its details are not disclosed in Form AOC-1.

The Company has framed a 'Policy for Determining Material Subsidiaries' for identifying material subsidiaries and to provide governance framework for such material subsidiaries. The policy is available on the website of the Company, [www.stanroseinvest.com](http://www.stanroseinvest.com).

### PROPOSED MERGER

The Board of Directors of the Company, at its meeting held on 13th March, 2018 had approved the proposed Scheme of Amalgamation of Surcot Trading Private Limited and Umiya Real Estate Private Limited ("the Transferor Companies") with Stanrose Mafatlal Investments and Finance Limited ("the Transferee Company") to be undertaken by way of a scheme of arrangement, subject to receipt of all necessary consents and approvals, including the approval of shareholders and creditors (if any) and the sanction of the Hon'ble National Company

Law Tribunal, SEBI, BSE Limited and such other competent authorities as may be applicable.

The Company has already filed an application on 21st April, 2018 for obtaining no-objection certificate from BSE Limited.

### CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Financial Statements (CFS) of the Company and its wholly owned subsidiary Company viz. Stan Plaza Limited (SPL) are prepared in accordance with the provisions of Schedule III of the Companies Act, 2013 and relevant Accounting Standards issued by the Institute of Chartered Accountants of India, as applicable to the Company and form part of this Annual Report. These Statements have been prepared on the basis of audited financial statements received from SPL as approved by its Board. Stanrose Mafatlal Lubechem Ltd., a substantially owned subsidiary Company being inoperative, its financial statements are not considered in preparation of CFS.

### DIRECTORATE

In terms of Section 152 of the Companies Act, 2013, Smt. Datta B. Dave, a Non-Independent, Non-Executive Director of the Company is retiring by rotation and being eligible offers herself for re-appointment. Brief resume of Smt. Dave, as required under Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is covered in the notes of the Notice of the 38th AGM of the Company.

All Independent Directors have given their declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013.

None of the Directors of the Company is disqualified from being appointed or re-appointed as a Director as specified under Section 164 of the Companies Act, 2013.

### KEY MANAGERIAL PERSONNEL

Shri Bharat N. Dave resigned from the post of Chief Executive Officer w.e.f. 24th April, 2017. Your Directors place on record their appreciation for the valuable services rendered by Shri Dave during his tenure as a CEO of the Company. In order to fill in his vacancy the Board has appointed Shri Madhusudan J. Mehta, an existing Director as a CEO. Shri Harshad V. Mehta, Chief Financial Officer and Shri Soham A. Dave, Company Secretary, are the other two Key Managerial Personnel appointed by the Company to inter alia shoulder the responsibilities in their respective fields as envisaged under the provisions of the Companies Act, 2013.

### FAMILIARIZATION PROGRAMME FOR THE INDEPENDENT DIRECTORS

The Board of Directors has adopted a Familiarization Programme for Independent Directors of the Company and posted the same on the website of the Company viz. [www.stanroseinvest.com](http://www.stanroseinvest.com). The Programme aims to provide



insights into the Company to enable the Independent Directors to understand and significantly contribute to its business.

## **AUDITORS**

### **Statutory Auditors**

At the 37th Annual General Meeting, M/s Manubhai & Shah, LLP Chartered Accountants (Firm Regn. No. 106041W/W100136), Ahmedabad, were appointed as the Statutory Auditors of the Company to hold office from the conclusion of the 37th AGM to the conclusion of the 42nd AGM (subject to ratification of the appointment by the members at every AGM held after this AGM). The Company has received a letter from them to the effect that their appointment, if made, would be within the prescribed limits under Section 139 of the Companies Act, 2013 and that they are not disqualified for such appointment within the meaning of Section 141 of the Companies Act, 2013.

### **Secretarial Auditors**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Messrs Manoj Hurkat and Associates, a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is annexed herewith as "Annexure A".

The Report confirms that the Company has complied with all the applicable provisions of the Companies Act, 2013, Reserve Bank of India Act, 1934, Equity Listing Agreement/ SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Depositories Act, 1996, Securities Contracts (Regulation) Act, 1956, SEBI (Prohibition of Insider Trading) Regulations, 2015, SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and various Regulations and Guidelines as applicable to the Company.

## **CORPORATE SOCIAL RESPONSIBILITY**

In accordance with the provisions of Section 135 of the Companies Act, 2013 and the rules made thereunder, the Company has constituted a Corporate Social Responsibility Committee of Directors. The role of the Committee is to review the CSR activities of the Company periodically and recommend the Board the amount of expenditure to be incurred on the CSR activities annually.

Annual Report on CSR activities carried out by the Company during F.Y. 2017-18 is enclosed as "Annexure - B" to this report.

## **NOMINATION AND REMUNERATION COMMITTEE**

The Nomination and Remuneration Committee comprises of Shri Kersi J. Pardiwalla, Chairman, Shri Arun P. Patel and Shri Rajesh Jaykrishna, members. The role and

responsibilities, Company's policy on directors' appointment and remuneration including the criteria for determining the qualifications, positive attributes, independence of a director and other related matters are in conformity with the requirements of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

## **AUDIT COMMITTEE**

The information relating to the composition of the Committee, scope & term of reference, no. of meetings held and attendance, etc. during the year under report, are provided in the Corporate Governance Report.

## **EVALUATION OF BOARD, COMMITTEES AND DIRECTORS**

A detailed exercise for evaluation of the performance of the Board, its various Committees, viz. Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee and Stakeholders' Relationship Committee as also the performance of individual Directors was carried out by the Board. The performance of the Board and that of its Committees was evaluated on the basis of various parameters like adequacy of its Composition, Board Culture, Execution and Performance of Specific Duties, Obligations and Governance, etc. The evaluation of individual Director and that of the Chairman of the Board was on the basis of various factors like their attendance, level of their engagement and contribution, independency of judgment, their contribution in safeguarding the interest of the Company, etc. The Board recorded its satisfaction over the performance of its various Committees, its directors individually as well as the collective efforts put in by the Board in enhancing and safeguarding the interest of the Company as a whole.

## **DISCLOSURE OF RATIO OF REMUNERATION OF EACH DIRECTOR TO THE MEDIAN EMPLOYEES' REMUNERATION, ETC.**

The particulars of ratio of remuneration of each director to median remuneration of the employees of the Company for the financial year under report, percentage increase in remuneration of each Director and KMP, etc. more particularly described under Section 197(12) of the Companies Act, 2013 and Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are given in "Annexure C" to this Report.

## **PARTICULARS OF LOANS AND INVESTMENTS**

The Company being a Non-Banking Financial Company registered with Reserve Bank of India with the principal business, inter alia, of Inter-Corporate Financing, the provisions of Section 186 except sub-section (1) are not applicable to it. Hence no particulars thereof as envisaged under Section 134(3)(g) are covered in this Report.

## STANROSE MAFATLAL INVESTMENTS AND FINANCE LIMITED

### RELATED PARTY TRANSACTIONS

The particulars of contracts or arrangements entered by the Company with related parties which are subsisting during the year under Report are provided under "Annexure D" in Form AOC - 2. The Company has framed a 'Policy on Related Party Transactions' for determining related parties, transactions on arm's length basis and procedures to be followed for obtaining various approvals, etc. The policy is available on the website of the company, [www.stanroseinvest.com](http://www.stanroseinvest.com). As regards the justification for entering into related party transactions, it may be noted that the same are entered into due to business exigencies and are in the best interest of the Company.

### ENERGY, TECHNOLOGY AND FOREIGN EXCHANGE

Pursuant to the requirement under Section 134(3) of the Companies Act, 2013, read with Rule 8 of Companies (Accounts) Rules, 2014:

- (a) The Company has no activity involving conservation of energy or technology absorption.
- (b) The Company does not have any Foreign Exchange Earnings.
- (c) Outgo under Foreign Exchange - Rs.28.82 Lacs.

### SEXUAL HARASSMENT

Entire staff in the Company is working in a most congenial manner and there is no occurrences of any incidents of sexual harassment during the year.

### VIGIL MECHANISM/WHISTLE BLOWER POLICY

The Board has approved and adopted "Vigil Mechanism/ Whistle Blower Policy" in the Company. The Brief details of establishment of this Policy are provided in the Corporate Governance Report.

### RISK MANAGEMENT POLICY

The Company has formalized risk management system by formulating and adopting Risk Management Policy to identify, evaluate, monitor and minimize the identifiable business risks in the Organization.

### EXTRACT OF ANNUAL RETURN

The extract of the Annual Return in Form MGT 9 is provided in "Annexure E" to this Report.

### PARTICULARS OF EMPLOYEES

The Company has not employed any individual whose remuneration falls within the purview of the limits prescribed under the provisions of Section 197 of the Companies Act, 2013, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

The Statement containing particulars of employees as required under Section 197 of the Companies Act, 2013 read with rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, will be provided upon request. In terms of Section 136 of the Companies Act, 2013, the Report and Accounts are being sent to the members and others entitled thereto, excluding the information on employees' particulars which is available for inspection by the members at the Registered Office of the Company during business hours on working days of the Company. If any member is interested in obtaining a copy thereof, such member may write to the Company Secretary in the regard.

### ACKNOWLEDGEMENTS

Your Directors sincerely express their deep appreciation to employees at all levels, bankers, customers and shareholders for their sustained support and co-operation and hope that the same will continue in future.

*For and on behalf of the Board*  
Pradeep R. Mafatlal  
Chairman

Place: Mumbai

Dated: May 2, 2018.



## **ANNEXURE 'A' TO DIRECTORS' REPORT**

### **SECRETARIAL AUDIT REPORT**

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members of

#### **STANROSE MAFATLAL INVESTMENTS AND FINANCE LIMITED**

6th Floor, Popular House, Ashram Road,  
Ahmedabad - 380009

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by STANROSE MAFATLAL INVESTMENTS AND FINANCE LIMITED (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2018 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2018 according to the provisions of:

- I. The Companies Act, 2013 (the Act) and the Rules made thereunder;
- II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- IV. The Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable to the Company:-

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (d) The Securities and Exchange Board of India (Share Based Employee Benefits), Regulations, 2014;
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

We have also examined compliance with the applicable clauses of the following:

- I. Secretarial Standards issued by The Institute of Company Secretaries of India.
- II. The SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015.

We hereby report that during the period under review, the Company has complied with the applicable provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above.

- VI. We further report that having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the following laws applicable specifically to the Company;

- (a) The Reserve Bank of India Act, 1934 and Applicable NBFC Regulations
- (b) The Prevention of Money Laundering Act, 2002.

We further report that:

- (a) The Board of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- (b) Adequate notice is given to all Directors to

## STANROSE MAFATLAL INVESTMENTS AND FINANCE LIMITED

schedule the Board Meetings at least seven days in advance. Agenda and detailed notes on agenda were also sent to all Directors and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

- (c) Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period, the Board of Directors of the Company at its meeting held on 13th March, 2018, has approved the Scheme of

Amalgamation ("Scheme") between Surcot Trading Private Limited (Transferor Company Number I) and Umiya Real Estate Private Limited (Transferor Company Number II) with the Company under Sections 230-232 of the Companies Act, 2013, with appointed date as 1st April, 2017. Further the Company has already made an application for in principle approval of the BSE Limited under Regulation 37 of the SEBI-LODR Regulations. The Scheme shall be subject to approval of the National Company Law Tribunal having jurisdiction over the Transferor Companies and the Company and other procedures and formalities undertaken/to be undertaken by the Company. Barring this, during the audit period, no other events/actions has taken place which have major bearing on the affairs of the Company in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

For **MANOJ HURKAT AND ASSOCIATES**

*Practicing Company Secretaries*

**Place:** Ahmedabad

**MANOJ R HURKAT**

**Date:** May 2, 2018

*Partner*

*FCS No. 4287, C P No.: 2574*

### Note:

This Report is to be read with our letter of even date which is annexed as "Annexure A" and form an integral part of this Report.

## ANNEXURE 'A' to Secretarial Audit Report

To,

The Members of

### STANROSE MAFATLAL INVESTMENTS AND FINANCE LIMITED

6th Floor, Popular House, Ashram Road,  
Ahmedabad - 380009

Our report of even date is to be read along with this letter:

1. Maintenance of Secretarial record is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these Secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in

Secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts and cost records of the Company.
4. We have obtained the Management representation about the compliance of laws, rules and regulations and happening of events, secretarial records and other factual position which cannot be otherwise verified etc. wherever required or necessary.
5. The compliance of the provision of corporate and other applicable laws, rules, regulations, standards is the responsibility of Management. Our examination was limited to the verification of the same on test basis.
6. The Secretarial audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For **MANOJ HURKAT AND ASSOCIATES**

*Practicing Company Secretaries*

**Place:** Ahmedabad

**MANOJ R HURKAT**

**Date:** May 2, 2018

*Partner*

*FCS No. 4287, C P No. 2574*

## ANNEXURE 'B' TO DIRECTORS' REPORT

### REPORT ON CORPORATE SOCIAL RESPONSIBILITY

1. Brief outline of the Company's CSR Policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs -
  - The CSR Policy encompasses the Company's philosophy for delineating its responsibility as a Corporate citizen and lays down the guidelines and mechanism for undertaking socially useful programmes for welfare and sustainable development of the community at large. The policy is available on Company's website, [www.stanroseinvest.com](http://www.stanroseinvest.com).
  - On recommendation of CSR Committee, the Board of Directors approved the CSR spending by providing financial assistance to a charitable Institute, which runs a hospital for treating the economically weaker people.
2. The Composition of the CSR Committee-
  - The Company's CSR Committee comprises of two Non-Independent Directors and one Independent Director. Its composition is as under:
    - (a) Shri Madhusudan J. Mehta, Chairman
    - (b) Shri Kersi J. Pardiwalla, Member
    - (c) Smt. Datta B. Dave, Member
3. Average net profit of the company for last three financial years- Rs. 653.62 Lacs.
4. Prescribed CSR Expenditure (two percent of the amount as in item 3 above) - Rs.13.07 Lacs.
5. Details of CSR spent during the financial year:
  - (a) Total amount spent during the financial year - Rs.13.70 Lacs.
  - (b) Amount unspent, if any - NIL
  - (c) Manner in which the amount spent during the financial year is detailed below:

1	2	3	4	5	6	7	8
Sr. No.	CSR project or activity identified	Sector in which the project is covered	Project or programs (1) Local area or other (2) Specify the State and district where projects or programs were undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs (2) overheads	Cummulative expenditure upto the reporting period	Amount spent: Direct or through implementing agency
01.	Healthcare	Promoting healthcare including preventive healthcare	Halol-Kalol, Panchmahal District, Gujarat	Rs.13.70 Lacs			Through a Registered Trust viz. Navinchandra Mafatlal Medical Trust

6. In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report. - Not Applicable.
7. The CSR Committee hereby confirms that the implementation and monitoring of CSR activities is in compliance with the CSR objectives and the CSR Policy of the Company.

*For and on behalf of the Board*

(PRADEEP R. MAFATLAL)  
CHAIRMAN

(MADHUSUDAN J. MEHTA)  
CHAIRMAN - CSR COMMITTEE

Place: Mumbai

Date: May 2, 2018

## ANNEXURE 'C' TO DIRECTORS' REPORT

Disclosure of Ratio of Remuneration of each Director to the Median Employee's Remuneration, the Percentage increase in Remuneration of each Director, Chief Executive Officer, Company Secretary and Chief Financial Officer, etc. for the Financial Year ended 31st March, 2018.

Names and Positions	[A] Ratio of Directors' Remuneration to the median Remuneration of Employees	[B] Percentage (%) increase in Remuneration
(i) Shri Pradeep R. Mafatlal, Chairman	4.59 : 1	(25.98)
(ii) Shri Madhusudan J. Mehta, Director & CEO (CEO w.e.f. 11.08.17)	1.97 : 1	-
(iii) Shri Arun P. Patel, Director	0.45 : 1	31.25
(iv) Shri Rajesh Jaykrishna, Director	0.43 : 1	25
(v) Shri Kersi J. Pardiwalla, Director	0.56 : 1	87.71
(vi) Smt. Datta Bharat Dave, Director	0.32 : 1	15.39
(vii) Shri Bharat N. Dave, CEO (upto 24.04.17)		(36.31)
(viii) Shri Soham A. Dave, CS		18.13
(ix) Shri Harshad V. Mehta, CFO		0.14

[C] Percentage increase in the median Remuneration of Employees - 2.28%

[D] Number of permanent Employees on the rolls of Company (at the end of the year) - 15

[E] Average percentage increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentage increase in the managerial remuneration - The Company is a Board Managed Company. The Managerial positions viz. Managing Director, Whole-time Director or Manager under the Companies Act are not created in the organisation.

Here by the term Managerial Personnel we considered the Non-Executive Directors (NEDs) and KMPs and by the term managerial Remuneration, we considered Remuneration of NEDs and KMPs. The average percentage increase in salaries of employees other than NEDs and KMPs made in the year 2017-18 is 5.16% against 14.28% increase in Managerial Remuneration. Managerial Remuneration, inter alia, consist of commission and Sitting Fees paid to NEDs and Remuneration of KMP.

The Company affirms that the remuneration is as per the remuneration policy of the company.

*For and on behalf of the Board*  
Pradeep R. Mafatlal  
Chairman

Place: Mumbai

Dated: May 2, 2018.

**ANNEXURE 'D' TO DIRECTORS' REPORT****FORM NO. AOC - 2**

**Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto**

**[Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014]**

**Note :**

There are no contracts or arrangements or transactions with related parties which are not at arm's length basis or which are material contract or arrangement or transaction at arm's length basis entered into by the Company or prevailing during the F.Y. 2017-18. However, for better disclosure, the details of non-material contracts or arrangements or transactions at arm's length basis is given hereunder :

<b>Details of contracts or arrangements or transactions at Arm's length basis</b>		
(a)	Name(s) of the related party	Shanudeep Private Limited (Shanudeep)
(b)	Nature of relationship	Shanudeep is holding 24.70% stake in the Company. Further the Chairman of the Company Shri Pradeep R. Mafatlal is also the Chairman of Shanudeep.
(c)	Nature of contracts / arrangements / transactions	(i) Use of office premises on Lease (ii) Availing facilities and amenities
(d)	Duration of the contracts / arrangements / transactions	(i) From 19th August, 2017 to 18th August, 2018 (ii) From 19th August, 2017 to 18th August, 2018
(e)	Salient terms of the contracts or arrangements or transactions including the value, if any:	(i) Use of office premises admeasuring 2000 sq. ft. at 2nd Floor, Vijyalaxmi Mafatlal Centre, 57-A, Dr. G. Desmukh Marg, Mumbai on lease by paying Rs. 1,80,000 p.m. as License fee. (ii) Availing Facilities and Amenities at the aforesaid premises by paying Rs. 2,42,000 p.m. as service charges
(f)	Date(s) of approval by the Board, if any:	11th August, 2017 (for both the transactions)
(g)	Amount paid as advances, if any:	Nil

*For and on behalf of the Board*  
Pradeep R. Mafatlal  
Chairman

**Place:** Mumbai

**Dated:** May 2, 2018.

**STANROSE MAFATLAL INVESTMENTS AND FINANCE LIMITED**

**ANNEXURE 'E' TO DIRECTORS' REPORT**

**FORM NO. MGT-9**

**EXTRACT OF ANNUAL RETURN**

**As on the financial year ended on 31st March, 2018**

**[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]**

**I. REGISTRATION AND OTHER DETAILS:**

i.	CIN :	L65910GJ1980PLC003731
ii.	Registration Date:	18th April, 1980
iii.	Name of the Company:	Stanrose Mafatlal Investments and Finance Limited
iv.	Category / Sub-Category of the Company:	Company Limited by Shares/ Indian Non-government Company
v.	Address of the Registered Office and contact details:	6th Floor, Popular House, Ashram Road, Ahmedabad-380009, Gujarat. Ph. No. (079) 26580067-96
vi.	Whether Listed Company:	Yes
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any:	Link Intime (India) Pvt. Ltd. 506-508, Amarnath Business Centre-1, Beside Gala Business Centre, Near St. Xavier's College Corner, Off. C.G. Road, Ellis Bridge, Ahmedabad - 380006. Gujarat. Ph. No. (079) 26465179

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10 % or more of the total turnover of the company shall be stated :-

Sr. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Intercompany Investment, Financing and Capital Market Related Activities	997119	91.70 % from Investment activity & 8.30 % from financing activity

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -**

Sr. No.	NAME AND ADDRESS OF THE COMPANY	CIN / GLN	HOLDING / SUBSIDIARY/ ASSOCIATE	% of shares held	Applicable Section
1	Stan Plaza Limited Reg. Off. - 59, The Arcade, 1st Floor, World Trade Centre, Cuffe Parade, Colaba, Mumbai-400005.	U24100MH1996PLC098394	SUBSIDIARY	100%	Section 2(87) of Companies Act, 2013
2	Stanrose Mafatlal Lubechem Limited - In Liquidation Reg. Off. - 59, The Arcade, 1st Floor, World Trade Centre, Cuffe Parade, Colaba, Mumbai-400005.	L15140MH1993PLC073460	SUBSIDIARY	86.25%	Section 2(87) of Companies Act, 2013



## IV. SHAREHOLDING PATTERN (Equity Share Capital Break-up as percentage of Total Equity)

## (i) Category-wise Shareholding

Category of Shareholders	No. of Shares held as on 01/04/2017				No. of Shares held as on 31/03/2018				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters:</b>									
<b>(1) Indian:</b>									
(a) Individual/HUF	14,976	-	14,976	0.38%	14,976	-	14,976	0.38%	-
(b) Central Govt.	-	-	-	-	-	-	-	-	-
(c) State Govt.	-	-	-	-	-	-	-	-	-
(d) Bodies Corp.	18,71,100	-	18,71,100	47.16%	18,79,651	-	18,79,651	47.37%	0.21%
(e) Banks/Fl	-	-	-	-	-	-	-	-	-
(f) Any other	-	-	-	-	-	-	-	-	-
<b>Sub-total (A) (1)</b>	<b>18,86,076</b>	<b>-</b>	<b>18,86,076</b>	<b>47.54%</b>	<b>18,94,627</b>	<b>-</b>	<b>18,94,627</b>	<b>47.75%</b>	<b>0.21%</b>
<b>(2) Foreign:</b>									
(a) NRIs-Individuals	33,094	-	33,094	0.83%	33,094	-	33,094	0.83%	-
(b) Others-Individuals	-	-	-	-	-	-	-	-	-
(c) Bodies Corp.	-	-	-	-	-	-	-	-	-
(d) Banks/Fl	-	-	-	-	-	-	-	-	-
(e) Any other	-	-	-	-	-	-	-	-	-

**STANROSE MAFATLAL INVESTMENTS AND FINANCE LIMITED**

Category of Shareholders	No. of Shares held as on 01/04/2017				No. of Shares held as on 31/03/2018				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>Sub-total (A) (2)</b>	33,094	-	33,094	0.83%	33,094	-	33,094	0.83%	-
<b>Total shareholding of Promoter (A) = (A) (1) + (A) (2)</b>	19,19,170	-	19,19,170	48.37%	19,27,721	-	19,27,721	48.58%	0.21%
<b>B. Public Shareholding</b>									
<b>1. Institutions:</b>									
(a) Mutual Funds	32	1,850	1,882	0.05%	32	1,850	1,882	0.05%	-
(b) Banks/FI	-	616	616	0.02%	-	433	433	0.01%	(0.01)%
(c) Central Govt.	-	-	-	-	-	-	-	-	-
(d) State Govt.	-	-	-	-	-	-	-	-	-
(e) Venture Capital funds	-	-	-	-	-	-	-	-	-
(f) Insurance Companies	3,93,084	-	3,93,084	9.91%	3,93,084	-	3,93,084	9.91%	-
(g) FIs	-	-	-	-	-	-	-	-	-
(h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
(i) Others - Trust	-	-	-	-	-	-	-	-	-
<b>Sub-total (B) (1)</b>	3,93,116	2,466	3,95,582	9.97%	3,93,116	2,283	3,95,399	9.97%	(0.01)%

Category of Shareholders	No. of Shares held as on 01/04/2017				No. of Shares held as on 31/03/2018				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>2. Central government / State Government / President of India (IEPF Authority)</b>									
	-	-	-	-	67,848	-	67,848	1.71%	1.71%
<b>Sub-total (B) (2)</b>	-	-	-	-	67,848	-	67,848	1.71%	1.71%
<b>3. Non-Institutions:</b>									
<b>(a) Bodies Corp.</b>									
<b>(i) Indian</b>	1,35,330	1,10,508	2,45,838	6.19%	71,163	1,07,681	1,78,844	4.51%	(1.68%)
<b>(ii) Overseas</b>	-	-	-	-	-	-	-	-	-
<b>(b) Individuals</b>									
<b>(i) Individual Shareholders holding nominal share capital upto Rs. 1 Lakh</b>	4,59,811	5,94,803	10,54,614	26.58%	4,87,879	5,26,158	10,14,037	25.56%	(1.02%)
<b>(ii) Individual Shareholders holding nominal share capital in excess of Rs. 1 Lakh</b>									
	2,18,435	1,10,594	3,29,029	8.29%	2,35,663	91,496	3,27,159	8.24%	(0.05%)
<b>(c) Others (specify)</b>	23,275	412	23,687	0.59%	56,511	401	56,912	1.43%	0.84%
<b>Sub-total (B) (3)</b>	8,36,851	8,16,317	16,53,168	41.66%	8,51,216	7,25,736	15,76,952	39.74%	(1.91%)
<b>Total Public Shareholding (B) = (B) (1) + (B) (2) + (B) (3)</b>	12,29,967	8,18,783	20,48,750	51.63%	1,31,280	19,08,919	20,40,199	51.42%	(0.21%)
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	31,49,137	8,18,783	39,67,920	100%	32,39,901	7,28,019	39,67,920	100%	0.00%

**STANROSE MAFATLAL INVESTMENTS AND FINANCE LIMITED**

**(ii) Shareholding of Promoters**

Sr. No.	Shareholders' Name	Shareholding as at 01/04/2017			Shareholding as at 31/03/2018			% Change in share holding during the year
		No. of Shares	% of total Shares of the company	% of shares pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of shares pledged/ encumbered to total shares	
1.	Shanudeep Private Limited	9,80,078	24.70	0.00	9,80,078	24.70	0.00	-
2.	Vinadeep Investments Private Limited	4,19,870	10.58	0.00	4,28,421	10.79	0.00	0.21%
3.	Sheiladeep Investments Private Limited	3,90,297	9.84	0.00	3,90,297	9.84	0.00	-
4.	Gagalbhai Investments Private Limited	43,726	1.10	0.00	43,726	1.10	0.00	-
5.	Pradeep Investments Private Limited	18,120	0.46	0.00	18,120	0.46	0.00	-
6.	Standard Industries Limited	19,009	0.48	0.00	19,009	0.48	0.00	-
7.	Sheilaja Chetan Parikh	19,054	0.48	0.00	19,054	0.48	0.00	-
8.	Pravina Rasesh Mafatlal & Pradeep R. Mafatlal	14,802	0.37	0.00	14,802	0.37	0.00	-
9.	Pradeep R. Mafatlal & Divya P. Mafatlal	13,186	0.33	0.00	13,186	0.33	0.00	-
	Pradeep R. Mafatlal & Pravina R. Mafatlal	854	0.02	0.00	854	0.02	0.00	-
10.	Rajanya Pradeep Mafatlal	174	0.00	0.00	174	0.00	0.00	-
	<b>TOTAL</b>	19,19,170	48.37	0.00	19,27,721	48.58	0.00	0.21%

**(iii) Change in Promoters' Shareholding (please specify, if there is no change)**

	No. of Shares	% of total shares of the Company
Shareholding as at 01/04/2017	19,19,170	48.37
Date wise Increase / Decrease in Promoters shareholding during the year specifying the reasons for increase / decrease	8,551 (Date of increase - 23/02/2018)	0.21
As at 31/03/2018	19,27,721	48.58

**(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):**

Top ten Shareholders and their Shareholding as at 01/04/2017				Top ten Shareholders and their Shareholding as at 31/03/2018			
No.	Name of Shareholder	No. of Shares	% of total shares of the Company	No.	Name of Shareholder	No. of Shares	% of total shares of the Company
1.	Life Insurance Corporation of India	1,64,377	4.14%	1.	Life Insurance Corporation of India	1,64,377	4.14%
2.	The New India Assurance Company Limited	89,593	2.26%	2.	The New India Assurance Company Limited	89,593	2.26%
3.	Mafatlal Industries Limited	79,920	2.01%	3.	Mafatlal Industries Limited	79,920	2.01%
4.	The Oriental Insurance Company Limited	77,182	1.95%	4.	The Oriental Insurance Company Limited	77,182	1.95%
5.	Man Made Fibres Private Limited	62,000	1.56%	5.	IEPF Authority - MCA	67,848	1.71%
6.	General Insurance Corporation Of India	42,616	1.07%	6.	General Insurance Corporation Of India	42,616	1.07%
7.	Panna Hemant Mafatlal	38,216	0.96%	7.	Panna Hemant Mafatlal	38,216	0.96%
8.	Shashank S Khade	36,954	0.93%	8.	Shashank S Khade	33,784	0.85%
9.	Sundaraman Vallur Gopalraghava	28,198	0.71%	9.	Parul V. Lashkari	29,721	0.75%
10.	Integrated Financial Services Ltd.	27,000	0.68%	10.	Integrated Financial Services Ltd.	27,000	0.68%

## STANROSE MAFATLAL INVESTMENTS AND FINANCE LIMITED

### (v) Shareholding of Directors and Key Managerial Personnel:

	Shareholding as at 01/04/2017		Shareholding as at 31/03/2018	
	No. of Shares #	% of total shares of the Company	No. of Shares #	% of total shares of the Company
Shri Pradeep R. Mafatlal	28,842	0.73%	28,842	0.73%
Shri Arun P. Patel	175	0.00%	175	0.00%
Shri Rajesh Jaykrishna	156	0.00%	156	0.00%
Shri Kersi J. Pardiwalla	300	0.00%	300	0.00%
Shri Madhusudan J. Mehta	434	0.00%	434	0.00%
Smt. Datta B. Dave	18	0.00%	18	0.00%
Shri Harshad V. Mehta	50	0.00%	50	0.00%
Shri Soham A. Dave	1	0.00%	1	0.00%

# Including Joint Holding

### V. INDEBTEDNESS

Indebtedness of the Company including Interest outstanding / accrued but not due for Payment :  
NIL

### VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

#### A. Remuneration to Managing Director, Whole-time Director, Executive Director and/or Manager:

Sr No.	Particulars of Remuneration	Name of M.D., W.T.D., Executive Director and/or Manager	Total
		Shri Madhusudan J. Mehta (from 11/08/2017)	
1.	Gross Salary:		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	4.50	4.50
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-
2.	Stock Option	-	-
3.	Sweat Equity	-	-
4.	Commission	-	-
	- As % of profit	-	-
	- others, specify	-	-
5.	Others, please specify	-	-
Total (A)		4.50	4.50



**STANROSE MAFATLAL****B. Remuneration to other Directors :****(I) Independent & Non-Executive**

Particulars of Remuneration	Name of Directors			Total Amount (Rs.)
	Shri Arun P. Patel	Shri Rajesh Jaykrishna	Shri Kersi J. Pardiwalla	
Fee for attending Board / Committee meetings (Rs.)	55,000	50,000	80,000	1,85,000
Commission (Rs.)	50,000	50,000	50,000	1,50,000
Others, please, specify	-	-	-	-
<b>Total (B)(1) (Rs.)</b>	<b>1,05,000</b>	<b>1,00,000</b>	<b>1,30,000</b>	<b>3,35,000</b>

**(II) Other Non-Executive Directors**

Particulars of Remuneration	Name of Directors		Amount (Rs.)
	Shri Pradeep R. Mafatlal	Smt. Datta B. Dave	
Fee for attending Board / Committee meetings (Rs.)	10,000	25,000	35,000
Commission (Rs.)	10,50,000	50,000	11,00,000
Others, please specify	-	-	-
<b>Total (B)(2) (Rs.)</b>	<b>10,60,000</b>	<b>75,000</b>	<b>11,35,000</b>
<b>Total Managerial Remuneration (all Directors) (Rs.)</b>	<b>-</b>	<b>-</b>	<b>12,50,000*</b>
<b>Overall Ceiling as per the Act (Rs.)</b>	<b>-</b>	<b>-</b>	<b>12,63,085</b>

\* excluding Sitting Fees

**C. Remuneration to Key Managerial Personnel other than MD / Manager / WTD (Rs. In Lacs)**

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			Total
		Chief Executive Officer	Company Secretary	Chief Financial Officer	
1.	<b>Gross Salary :</b>				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	4.50	5.66	8.40	18.56
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	-	0.14	0.05	0.19
	(c) Profits in lieu of salary under Section 17(3) of Income-tax Act, 1961	-	-	-	-
2.	<b>Stock Option</b>	-	-	-	-
3.	<b>Sweat Equity</b>	-	-	-	-
4.	<b>Commission</b>				
	- As % of profit	-	-	-	-
	- others, specify	-	-	-	-
5.	<b>Others, please specify</b>	-	-	-	-
	<b>Total (A)</b>	<b>4.50</b>	<b>5.80</b>	<b>8.45</b>	<b>18.75</b>

**VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES :**

NONE

## STANROSE MAFATLAL INVESTMENTS AND FINANCE LIMITED

### REPORT ON CORPORATE GOVERNANCE

**[As required by Regulation 34 (3) read with Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]**

Securities and Exchange Board of India (SEBI) has stipulated Corporate Governance standards for listed companies vide Point C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company furnishes its report on the Corporate Governance as under:

#### Company's Philosophy on Corporate Governance

Corporate Governance is a combination of voluntary practices and compliance with Laws and Regulations leading to effective control and management of the organization. Good Corporate Governance leads to long-term shareholder value and enhances interest of other stakeholders. It brings into focus the fiduciary and trusteeship role of the Board to align and direct the actions of the organization towards creating wealth and shareholder value.

#### 1. BOARD OF DIRECTORS:

##### (A) Composition of the Board:

The Company's Board consists of Directors having varied experience in different areas with

some eminent personalities who have made a mark in their respective fields. The composition of the Board is in conformity with the provisions of Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Shri Pradeep R. Mafatlal, a Non-Executive Promoter Director, is the Chairman of the Company, heading the Board. As on 31st March, 2018, the Board comprises of 6 Directors, out of whom 5 are Non-Executive Directors and one is Executive Director. Out of 5 Non-Executive Directors, 3 Directors are Independent and 2 are Non-Independent (including one Woman Director).

##### (B) Category of Directors, their attendance at the Board and AGM, etc.:

The category of Directors, their attendance at the Board Meetings and the Annual General Meeting during the Financial Year 2017-18, the particulars of number of other Directorships and Committee Memberships held are as follows: (See Table 1)

##### (C) Number of Board Meetings held and the dates on which such Meetings were held, etc.:

Five Board Meetings were held during the year

**TABLE : 1 [Reference : Para 1(B)]**

Name of Director	Category of Director	Attendance		No. of Directorships *	No. of Committee Memberships / Chairmanship**
		No. of Board Mtgs.	Last AGM		
1. Shri Pradeep R. Mafatlal Chairman	Non-Independent Non-Executive	2	No	9 (Chairman of 6)	2
2. Shri Madhusudan J. Mehta (Chief Executive Officer w.e.f. 11th August, 2017)	Executive	3	Yes	9	1
3. Shri Arun P. Patel	Independent Non-Executive	3	No	3	1
4. Shri Rajesh Jaykrishna	Independent Non-Executive	3	No	7	1
5. Shri Kersi J. Pardiwalla	Independent Non-Executive	5	Yes	5	4 (Chairman of 4)
6. Mrs. Datta Bharat Dave	Non-Independent Non-Executive	4	Yes	1	-

**Note:** None of the Directors are related inter-se.

\* Includes Stanrose Mafatlal Investments and Finance Limited and excludes Foreign Companies.

\*\* Represents Chairmanship/Membership of Audit Committees and Stakeholders' Relationship Committees of Public Limited Companies including Stanrose Mafatlal Investments and Finance Limited. .

on 24.4.2017, 11.8.2017, 13.11.2017, 3.2.2018 and 13.3.2018.

All the relevant information such as statement of investments, finance, financial results, capital expenditure proposals, etc. as a matter of routine, was placed before the Board for its appraisal, review and approval.

## **2. CODE OF CONDUCT:**

The Board of Directors has adopted a Code of Conduct for Board Members and Senior Management Personnel of the Company. The said Code has been communicated to all the Directors and Members of the Senior Management, who have affirmed their compliance with it, as approved and adopted by the Board. The CEO has given a declaration to this effect to the Board and the Board has taken the same on its record. The Code is placed on the Company's website, [www.stanroseinvest.com](http://www.stanroseinvest.com).

## **3. POLICY ON PROHIBITION OF INSIDER TRADING:**

With a view to regulate trading in securities by the directors and designated employees, the Company has adopted a Code of Conduct for Prohibition of Insider Trading pursuant to the SEBI (Prohibition of Insider Trading) Regulations, 2015.

## **4. CEO AND CFO CERTIFICATION:**

The CEO and CFO have given a Certificate about the correctness of the Annual Financial Statements, etc. to the Board and the Board has taken the same on its record.

## **5. COMMITTEES OF THE BOARD:**

### **(a) Audit Committee:**

The Board of Directors has constituted an Audit Committee comprising of three Independent Non-Executive Directors, viz. Shri Kersi J. Pardiwalla, Chairman, Shri Arun P. Patel and Shri Rajesh Jaykrishna. The Company Secretary acts as the Secretary to the Committee.

The role, term of reference, authority and powers of this Committee are in conformity with the requirements of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as applicable to the Company.

Five Meetings were held during the year on 22.04.2017, 11.08.2017, 13.11.2017, 03.02.2018 and 13.03.2018. Shri Kersi J. Pardiwalla has attended five meetings. Shri Arun P. Patel and Shri Rajesh Jaykrishna attended four meetings.

### **(b) Nomination and Remuneration Committee:**

The Board of Directors has constituted a Nomination and Remuneration Committee comprising of Shri Kersi J. Pardiwalla, Chairman, Shri Arun P. Patel and Shri Rajesh Jaykrishna.

The role, term of reference, authority and powers of this Committee are in conformity with the requirements of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as applicable to the Company. The committee met twice. All the three Members attended both the meetings of the Committee.

### **(c) Stakeholders' Relationship Committee:**

The Stakeholders Relationship Committee deals with the matters of redressal of Shareholders and Investors complaints for transfer of shares, non-receipt of balance sheet, non-receipt of declared dividend, etc.:

- i) Name of Non-executive Director heading the Committee: Shri Kersi J. Pardiwalla.
- ii) Name of other Members: Shri Pradeep R. Mafatlal and Shri Madhusudan J. Mehta.
- iii) Name and Designation of Compliance Officer: Shri Soham A. Dave, Company Secretary.
- iv) Number of shareholders' complaints received: During the year 2017-18, the Company received 4 complaints in the aggregate and all of them have been resolved by furnishing requisite information/documents.
- v) Number of complaints not solved to the satisfaction of shareholders: NIL
- vi) Number of pending complaints: NIL

During the year, the Committee met once. Shri Kersi J. Pardiwalla and Shri Madhusudan J. Mehta attended the Meeting.

## **6. RISK MANAGEMENT:**

During the financial year under review, a detailed exercise on Business Risk Management was carried out covering the entire spectrum of business operations and the Board has been informed about the risk assessment and risk minimization procedures as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Business risk evaluation and management is an ongoing process with the Company.

## STANROSE MAFATLAL INVESTMENTS AND FINANCE LIMITED

### 7. DIRECTORS' REMUNERATION FOR THE FINANCIAL YEAR 2017-18:

The Non-Executive Directors are paid Sitting Fees of Rs.5,000/- for attending each Meeting of the Board/ Committees/Independent Directors and a commission upto 3% of the net profit as determined under Section 198 of the Companies Act, 2013 for the financial year ended 31st March, 2018, in pursuance of General Body Resolution. Within the overall limit, the extent and proportion in which the Commission to be distributed amongst the Directors is determined by the Board.

The details of remuneration paid for the year 2017-18 to the Directors are given below (Table No. 2) :

### 8. GENERAL BODY MEETINGS:

- i) Location and time, where last three AGMs were held:  
  
On 04-08-2017 at 10.30 A.M.  
On 27-07-2016 at 10.30 A.M.  
On 12-08-2015 at 10.30 A.M.  
At: Banquet Hall, Karnavati Club Ltd.,  
S. G. Highway, Ahmedabad - 380058, Gujarat.
- ii) Whether any Special Resolutions passed in the previous 3 AGMs: Yes
- iii) Whether the Special Resolutions were put through postal ballot last year, details of voting pattern, person who conducted the postal ballot exercise: No postal ballot had been conducted.
- iv) Whether Special Resolutions are proposed to be conducted through postal ballot: No
- v) Procedure for postal ballot: Not applicable

### 9. DISCLOSURES:

- (a) Disclosures on materially significant related party transactions, i.e. transactions of the Company of material nature, with its promoters, directors or the

management, their subsidiaries or relatives, etc. that may have potential conflict with the interests of company at large:

During the year 2017-18, the Company had no materially significant related party transactions having potential conflict with the interest of the Company at large. The transactions with the related parties are disclosed in the Notes to Financial Statements in the Annual Report.

- (b) Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchanges or SEBI or any statutory authority, on any matter related to capital market, during the last three years:  
  
None.

- (c) Vigil Mechanism / Whistle Blower Policy:

The Company has established Vigil Mechanism and framed Whistle Blower Policy for the directors and the employees to report to the Audit Committee, any unethical behavior, improper practice and wrongful conduct taking place in the Company, for suitable action. The Policy, by design, provides access to the Chairman of the Audit Committee, in exceptional cases. Shri Soham A. Dave, Company Secretary acts as Vigilance Officer of the Company to receive protected disclosures from whistle blowers, maintaining records thereof, placing the same before the Audit Committee for its disposal and informing the whistle blower the result thereof. The detailed Policy describing the objectives, scope, eligibility, procedure, etc. is also posted on the Company's website. We further affirm that no employee has been denied access to the Audit Committee during the financial year 2017-18.

- (d) Compliance of Mandatory Requirements and Adoption of Non-Mandatory Requirements:

The Company has complied with all the mandatory requirements of the SEBI (Listing Obligations and

**TABLE NO. 2 (Reference : Para 7)**

Name of Director	Remuneration paid For the F.Y. 2017-2018			No. of Shares held as on 31.3.2018#
	Sitting Fee Rs.	Commission (For 2017-18) Rs.	Total Rs.	
Shri Pradeep R. Mafatlal	10,000	10,50,000	10,60,000	28,842
Shri Madhusudan J. Mehta	5,000	-	5,000	434
Shri Arun P. Patel	55,000	50,000	1,05,000	175
Shri Rajesh Jaykrishna	50,000	50,000	1,00,000	156
Shri Kersi J. Pardiwalla	80,000	50,000	1,30,000	300
Mrs. Datta B. Dave	25,000	50,000	75,000	18

# Including Joint Holding.

Disclosure Requirements) Regulations, 2015, as applicable to it. The Company has adopted some of the non-mandatory requirements as mentioned under Part E of Schedule II such as separate posts of Chairperson and Chief Executive Officer, reporting by internal auditor directly to the Audit Committee, etc.

**10. MEANS OF COMMUNICATION:**

- 1) Half-yearly report sent to each household of shareholders: No
- 2) Quarterly Results:  
Quarterly Results are either published in "Economic Times" (English and Gujarati), and /or "Financial Express" (English and Gujarati) and are displayed on Company's website [www.stanroseinvest.com](http://www.stanroseinvest.com). The website contains a separate dedicated section 'Investor Relations', where shareholders' information is available.
- 3) Whether it also displays official news releases and the presentations made to institutional investors or to the Analysts : Not Applicable
- 4) Whether Management Discussion & Analysis is a part of the Annual Report or not : Yes.

**11. GENERAL SHAREHOLDERS INFORMATION:**

The Company is registered in the State of Gujarat with the Registrar of Companies, Gujarat at Ahmedabad. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L65910GJ1980PLC003731.

**(a) 38th Annual General Meeting:**

**Date & Time:** 25th September, 2018 at 10:30 A.M.

**Venue :** Banquet Hall,  
Karnavati Club Ltd.,  
S. G. Highway,  
Ahmedabad - 380058, Gujarat.

**(b) Financial Calendar:**

**Financial Year:**

1st April to 31st March

**Financial Reporting (tentative) for:**

**Quarter ending 30-6-2018:**

By August 14, 2018

**Quarter ending 30-9-2018:**

By November 14, 2018

**Quarter ending 31-12-2018:**

By February 14, 2019

**Year ending 31-3-2019:**

Audited Results by May 30, 2019.

**(c) Book Closure Dates for AGM & Dividend:**

19th September, 2018 to 25th September, 2018  
(both days inclusive)

**(d) Dividend Payment Date:**

From 10th October, 2018 onwards but within 30 days from the date of AGM.

**(e) Unpaid Dividend:**

- (i) The Company has transferred unclaimed dividends for and upto the Financial Year ended on 30th September, 1994 to the General Revenue Account of the Central Government and thereafter upto the financial year ended on 31st March, 2010 to the Investor Education and Protection Fund (IEPF), as required under Section 205A(5) of the erstwhile Companies Act, 1956 and Section 124(5) of the Companies Act, 2013, respectively within the prescribed time limit.

Under Section 124 of the Companies Act, 2013 and notification of the Ministry of Corporate Affairs of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, any shareholder can claim his/her dividend(s) from the IEPF Authority by making an application in online Form IEPF 5 available on the IEPF's website [www.iepf.gov.in](http://www.iepf.gov.in). The members, therefore, may submit their claims, if any, for unclaimed dividends for and upto the financial year ended 30th September, 1994, to the Registrar of Companies, Gujarat, at C.G.O. Complex, Opp. Rupal Park, Behind Ankur Bus Stand, Naranpura, Ahmedabad - 380013 and in respect of subsequent financial years at IEPF's website [www.iepf.gov.in](http://www.iepf.gov.in) by filling prescribed online Form IEPF 5 and following other procedures mentioned therein.

The aggregate amount lying in various Unpaid Dividend Accounts as at 31st March, 2018 is Rs. 67,31,651/-.

During the year under review, the Company has credited Rs. 6,46,980/- lying in unpaid/unclaimed dividend account for the year ended 31st March, 2010 to the IEPF. The cumulative amount transferred by the Company to IEPF up to 31st March, 2018 is Rs. 31,74,126/-

- (ii) Pursuant to the provisions of Sections 124(5) and 125(2)(c) of the Companies Act, 2013, dividend for the financial year ended on 31st March, 2011 and thereafter which remains unpaid or unclaimed for a period of 7 years will be transferred to the 'Investor Education & Protection Fund' of the Central Government.

## STANROSE MAFATLAL INVESTMENTS AND FINANCE LIMITED

The likely schedule indicating the deadline for claiming the unclaimed dividends before its transfer to IEPF is given hereunder:

**TABLE NO. : 3**

Dividend No.	For the Year ended	Date of Declaration	Last Date for Claiming Unpaid Dividend
30th	31-03-2011	03-09-2011	02-09-2018
31st	31-03-2012	16-08-2012	15-08-2019
32nd	31-03-2013	30-07-2013	29-07-2020
33rd	31-03-2014	02-08-2014	01-08-2021
34th	31-03-2015	12-08-2015	11-08-2022
35th	31-03-2016	27-07-2016	26-07-2023
36th	31-03-2017	04-08-2017	03-08-2024

The Ministry of Corporate Affairs has on May 10, 2012, notified the Investor Education and Protection Fund (uploading of information regarding Unpaid and Unclaimed amounts lying with companies) Rules, 2012 ("IEPF Rules") with the objective of enabling shareholders to use the information provided by the companies on their websites and the website of IEPF, to verify the status of unclaimed dividends, if any. The Shareholders can view the aforesaid information on the website of IEPF '[www.iepf.gov.in](http://www.iepf.gov.in)' and under "Investor Relations" on the website of the Company, '[www.stanroseinvest.com](http://www.stanroseinvest.com)'. The concerned members are requested to verify the details of their unclaimed dividend, if any, from the said websites and lodge their claim with the Company at its Registered Office or with its Registrar and Transfer Agent, Link Intime India Pvt. Ltd., before the same is due for transfer to IEPF. The Unclaimed Dividend Claim Form - Letter of Indemnity can be downloaded from [www.stanroseinvest.com](http://www.stanroseinvest.com).

- (iii) All the shares in respect of which the dividends are unpaid or unclaimed for seven consecutive years or more shall be transferred in the name of IEPF. All the Members whose dividends for last seven years are unpaid or unclaimed and whose shares are liable to be transferred to IEPF are informed and requested to claim their dividends before their shares are transferred to IEPF. Once transferred, Members can also claim their shares or dividends from IEPF Authority by filing online Form IEPF 5 on the IEPF's website [www.iepf.gov.in](http://www.iepf.gov.in).

### (f) Dividends:

#### (i) Receipt of Dividend through Electronic Mode

Securities and Exchange Board of India (SEBI) vide its Circular No. CIR/MID/DP/10/2013 dated March 21, 2013 has directed that listed companies shall mandatorily make all payments to investors, including dividend to shareholders, by using any Reserve Bank of India (RBI) approved electronic modes of payment viz. ECS, LECS (Local ECS), RECS (Regional ECS), NECS (National ECS) and NEFT, etc.

In order to receive the dividend without loss of time, all eligible shareholders holding shares in demat mode are requested to update with their respective Depository Participants, their correct Bank Account Number including nine digit MICR Code and eleven digit IFSC Code, E-Mail ID and Mobile No(s). This will facilitate the remittance of dividend amount as directed by RBI in the Bank Account electronically. Updation of Email Ids and Mobile Nos.(s) will enable sending communication relating to credit of dividend, unencashed dividend, etc.

Shareholders holding shares in physical form are requested to provide the following details along with an authorization letter allowing the Company to directly credit the dividend to their bank accounts: Name of the first account holder (as appearing in the Bank Account records), Bank Name, Branch Name, Branch Address, Account Type, Account Number, Nine Digit MICR Code, Eleven digit IFSC Code, Email Id and Mobile No.(s) to the Company at its Registered Office or its Registrar and Transfer Agent, Link Intime India Pvt. Ltd. at: 506-508, Amarnath Business Centre-1 (ABC-1), B/s. Gala Business Centre, Nr. St. Xavier's College Corner, Off. C.G. Road, Ellisbridge, Ahmedabad - 380 006, by quoting reference folio number and attaching a photocopy of the cheque leaf of their active Bank Account and a Self-attested copy of their PAN Card.

#### (ii) Various Electronic modes for making payment of Dividend

In case the shareholder has updated the complete and correct bank account details (including nine digit MICR Code and eleven digit IFSC Code) before the deadlines given hereinabove, the Company shall make the payment of dividend to such shareholders under any one of the following modes:



1. National Electronic Clearing Service (NECS)
2. Electronic Clearing Service (ECS)
3. National Electronic Fund Transfer (NEFT)

In case the dividend payment by electronic mode is returned or rejected by the corresponding bank due to some reason, then the Company will issue a Dividend Warrant/ Demand Draft/Cheque and print the bank account details available on its records on the said dividend warrant to avoid fraudulent encashment of warrants.

**(g) Rationalisation of Shareholding Pattern:**

Most of the Members are still holding shares of the Company in physical form and that too in very small numbers. The Company continues its endeavor to assist them in disposal of such small number even without demat at or near the full market value by absorbing some costs associated with its administration. Members desirous of availing the assistance may write or contact Shri Soham A. Dave, Company Secretary at the Registered Office at Ahmedabad. Members having multiple folios, either in identical name(s) or in different pattern of name(s) at common address or otherwise may approach the Registrar & Transfer Agent of the Company for transfer/ consolidation of all such shareholding into one folio to facilitate better service. Members who have lost their original Share Certificate(s) are also requested to contact or write to them for issue of duplicate Share Certificate(s).

**(h) Nomination Facility:**

Members holding shares in single name in physical form are advised to make nomination in respect of their shareholding in the Company. The Nomination Form SH-13 can be downloaded from the Company's website [www.stanroseinvest.com](http://www.stanroseinvest.com). Members holding shares in dematerialized form may contact their DP for recording their nomination.

**(i) Share Transfer System:**

All the share related work is undertaken by our Registrar & Share Transfer Agent, Link Intime India Pvt. Ltd., Ahmedabad. Shri Soham A. Dave, Company Secretary and Compliance Officer of the Company approves the work relating to transfer of shares, transmission, splitting and consolidation, etc. The share transfers are registered and returned within 15 days from the date of receipt, if relevant documents are complete in all respects.

**(j) PAN Requirement for every Participant in Securities Market:**

In case of transfers, deletion of name of deceased shareholder, transmission and transposition of names in respect of shares held in physical form, submission of self-certified photocopy of PAN Card of the transferee(s), transferor(s), surviving holder(s) respectively, along with necessary documents at the time of lodgement of request for these transactions is mandatory.

**(k) Registration of Email ID for receipt of Notices of General Meetings, Annual Report, etc. in e-form:**

The Ministry of Corporate Affairs has taken 'Green Initiative in Corporate Governance' by allowing paperless compliances by the Company and issued circulars allowing service of notices/ documents including Annual Report by email to its members. To support this green initiative of the Government in full measure, members who have not registered their email addresses so far, are requested to register the same in respect of electronic holdings with the Depository through their Depository Participants. Members holding shares in physical form are requested to get their email addresses registered with the Company/its Registrar & Share Transfer Agent.

**ADVANTAGES OF REGISTERING FOR E-COMMUNICATION:**

- \* Receive communication promptly
- \* Reduce paper consumption and save trees
- \* Eliminate wastage of papers
- \* Avoid loss of documents in postal transit
- \* Save costs on papers and on postage

**(l) Address for Correspondence:**

6th Floor, Popular House, Ashram Road,  
Ahmedabad - 380 009, Gujarat.  
Phone No. 079 66310887, 26580067  
Fax: 079 26589557  
E-mail : [investorcare@stanroseinvest.com](mailto:investorcare@stanroseinvest.com).

**(m) Registrar and Share Transfer Agent:**

All correspondence relating to transfer of shares, demat requests and other communication in relation thereto be addressed to the Company's Registrar and Share Transfer Agent, Link Intime India Pvt. Ltd., 506-508, Amarnath Business Centre-1 (ABC-1), B/s. Gala Business Centre, Nr. St. Xavier's College Corner, Off. C.G. Road, Ellisbridge, Ahmedabad - 380006, Gujarat, Tel.

## STANROSE MAFATLAL INVESTMENTS AND FINANCE LIMITED

079 26465179/86/87.

Email: [ahmedabad@linkintime.co.in](mailto:ahmedabad@linkintime.co.in).

**(n) Listing on the Stock Exchange and Stock Code:**

Listed on BSE. Listing fee for 2018-19 of BSE has

been paid and the Security Code No. is 506105, [Security ID STANROS] under X Group.

The Company has established connectivity with NSDL and CDSL for demat and the ISIN allotted to its Equity Shares is INE441L01015.

**(o) Recommendation to get the shares dematerialized:**

We strongly recommend all the members holding shares in physical form to promptly get their shares dematerialized for the following:

❖ Execution of trades in demat in market lot of ONE equity share is available on BSE.	❖ No stamp duty on transfer.
❖ To improve the liquidity in terms of number of transactions and volume of shares on the Exchange.	❖ Periodic Status Report and information available on internet.
❖ For better discovery of price on the Exchange.	❖ Ease related to change of address of investor.
❖ Faster disbursement of Non-cash corporate benefits like Rights, Bonus, etc.	❖ Elimination of problems related to transmission.
❖ To lower the transaction cost. Lower brokerage is charged by many brokers for trading in dematerialised securities.	❖ Ease in portfolio monitoring.
❖ Elimination of bad deliveries.	❖ Ease in pledging the shares.
	❖ SMS alert facility.
	❖ No risk of loss on account of fire, theft or mutilation.
	❖ Reduced paper work

**(p) (i) Distribution of Shareholding by size as on 31st March, 2018 :**

**TABLE NO. 4**

Sr. No.	Number or range of Shares held	Shareholders			Shares held		
		Number	% to total Number	Cumulative %	Number	% to total Number	Cumulative %
1.	1 to 500	25,051	98.58	98.58	6,02,821	15.19	15.19
2.	501 to 1,000	175	0.69	99.27	1,30,066	3.28	18.47
3.	1,001 to 2,000	89	0.35	99.62	1,24,922	3.15	21.62
4.	2,001 to 3,000	18	0.07	99.69	44,856	1.13	22.75
5.	3,001 to 4,000	12	0.05	99.74	41,462	1.04	23.79
6.	4,001 to 5,000	10	0.04	99.78	46,476	1.17	24.96
7.	5,001 to 10,000	19	0.07	99.85	1,31,612	3.32	28.28
8.	10,001 & More	37	0.15	100.00	28,45,705	71.72	100.00
		25,411	100.00		39,67,920	100.00	

**STANROSE MAFATLAL****(p) (ii) Shareholding Pattern as at 31st March, 2018 :  
TABLE NO. 5**

Category	No. of Share-holders	No. of Shares held	% of Share-holding
<b>A) PROMOTERS' HOLDING :</b>			
- Indian	8	18,94,627	47.75
- Foreign	2	33,094	0.83
SUB - TOTAL A	10	19,27,721	48.58
<b>B) PUBLIC HOLDING :</b>			
(i) Institutions	14	3,95,399	9.96
(ii) Central Government IEPF Authority	1	67,848	1.71
(iii) Non Institutions			
(a) Others	192	2,35,756	5.94
(b) Individuals	25,194	13,41,196	33.81
SUB-TOTAL B	25,401	20,40,199	51.42
GRAND TOTAL (A + B)	25,411	39,67,920	100.00

**(q) Stock Market Data :**

(i) The particulars of High-Low prices and the volume during each month of 2017-18 on the Bombay Stock Exchange Ltd. (BSE) are given hereunder:

Month	High Rs.	Low Rs.	Volume (Nos.)
<b>2017</b>			
April	172.00	159.00	21,354
May	177.00	151.25	14,690
June	180.45	161.10	13,501
July	179.00	165.00	10,327
August	166.00	153.25	8,097
September	176.00	156.00	6,516
October	185.85	157.00	6,861
November	188.00	162.00	19,585
December	212.00	174.10	91,402
<b>2018</b>			
January	185.00	165.55	42,058
February	174.95	132.00	30,790
March	159.45	142.20	11,154
Fiscal-2017-18			2,76,335

(ii) Share Price Performance in comparison to broad based indices - BSE Sensex

During the Financial Year 2017-18, the Company's share price underperformed the benchmark index. The Company's share price decreased by 8.53% as compared to increase of 10.87% in BSE Sensex.

**(r) Dematerialisation of Shares:**

81.65% of Company's paid-up Equity Share Capital is dematerialized upto 31st March, 2018.

Sr. No.	Electronic / Physical	No. of Folios	No. of Shares	%
1.	NSDL	2,671	28,68,361	72.29%
2.	CDSL	1,099	3,71,540	9.36%
3.	Physical	21,641	7,28,019	18.35%
	<b>TOTAL</b>	<b>25,411</b>	<b>39,67,920</b>	<b>100.00 %</b>

Mumbai,  
Dated: May 2, 2018

For and on behalf of the Board  
Pradeep R. Mafatlal  
Chairman

**CORPORATE GOVERNANCE COMPLIANCE  
CERTIFICATE**

To The Members of  
**Stanrose Mafatlal Investments and Finance Limited**  
6th Floor, Popular House,  
Ashram Road, Ahmedabad-380009

We have examined all relevant records of **STANROSE MAFATLAL INVESTMENTS AND FINANCE LIMITED** ("Company") for the purpose of certifying compliance of the conditions of Corporate Governance as prescribed under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations") for the financial year ended 31st March, 2018. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of certification.

The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedure and implementation thereof.

On the basis of our examination of the records produced, explanations and information furnished, we certify that the Company has complied with all the mandatory conditions of the Corporate Governance, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46 (2) and Paragraphs C, D and E of Schedule V of the Listing Regulations, during the year ended March 31, 2018.

This certificate is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **MANOJ HURKAT & ASSOCIATES**  
Company Secretaries

Date: May 2, 2018  
Place: Ahmedabad

**MANOJ R HURKAT**  
Partner  
Membership No. : FCS 4287  
Certificate of Practice No. : 2574

## INDEPENDENT AUDITORS' REPORT

### TO THE MEMBERS OF STANROSE MAFATLAL INVESTMENTS AND FINANCE LIMITED

#### Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of Stanrose Mafatlal Investments and Finance Limited ('the Company'), which comprise the balance sheet as at March 31, 2018, the statement of profit and loss and the cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

#### Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### Auditors' Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit..

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and

perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

#### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2018 and its profit and its cash flows for the year ended on that date.

#### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the order.
- 2: As required by Section 143 (3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) The balance sheet, the statement of profit and loss and the cash flow statement dealt with by this Report are in agreement with the books of account;

- (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- (e) On the basis of the written representations received from the directors as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure B. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting; and
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - (i) The Company does not have any pending litigations which would impact its financial position;
  - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
  - (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

**For Manubhai & Shah LLP**  
Chartered Accountants

ICAI Firm Registration No. 106041W/W100136

**K. B. Solanki**  
Partner

[Membership No. 110299]

Ahmedabad,  
Dated : May 2, 2018

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## **ANNEXURE - A TO THE INDEPENDENT AUDITOR'S REPORT**

The Annexure referred to in Independent Auditor's Report to the members of the Company on the standalone financial statements for the year ended March 31, 2018, we report that:

### **1. In respect of fixed assets:**

- a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- b. The fixed assets have been physically verified by the management once in a year which we consider reasonable having regard to the size of the Company and the nature of its assets. According to the information and explanations given to us, no discrepancies were noticed on such verification.
- c. According to the information and explanations given to us and on the basis of our examination of the records of the company, the title deeds of immovable properties are held in the name of the Company.

### **2. In respect of Inventories:**

The inventories have been physically verified by the management and no material discrepancies noticed.

### **3. In respect of loans granted to parties covered in the register maintained u/s 189 of the Act:**

The Company has granted loan to one company covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act').

- a. In our opinion, terms and conditions of the loan were not prejudicial to the interest of the Company
- b. The schedule of repayment for the loan has not been stipulated.
- c. As the terms of the repayment have not been stipulated, there are no overdue amounts in respect of the loan.

### **4. In respect of compliance of section 185 and 186 of the Act:**

In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.

### **5. In respect of deposits:**

The Company has not accepted any deposits.

### **6. In respect of maintenance of cost records:**

The Central Government has not prescribed the maintenance of cost records under section 148(1) of

## STANROSE MAFATLAL INVESTMENTS AND FINANCE LIMITED

the Act, for any of the services rendered by the Company.

### 7. In respect of statutory dues:

- a. According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing the undisputed statutory dues, including provident fund, employees' state insurance, income tax, service tax, goods and service tax, cess and other material statutory dues, as applicable, with appropriate authorities. As explained to us, the Company did not have any dues on account of duty of excise and duty of customs
- b. According to the information and explanations given to us and the records of the Company examined by us, in our opinion, no undisputed amounts payable as applicable were in arrears as at March 31, 2018 for a period of more than six months from the date they became payable.
- c. According to the information and explanations given to us and the records of the Company examined by us, there are no dues of provident fund, employees' state insurance, service tax, goods and service tax and cess which have not been deposited on account of any dispute.
- d. In respect of dues to financial institutions / banks / debentures:  
The Company does not have any loans or borrowings from any financial institution, banks, government or debenture holders during the year. Accordingly, paragraph 3(viii) of the Order is not applicable.
- e. In respect of money raised by way of public offer and application of term loan:  
The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and no fresh term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
- f. In respect of fraud:  
According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

- g. In respect of managerial remuneration in accordance with Section 197 of the Act:

According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

- h. In respect of Nidhi company:

In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.

- i. In respect of transactions with related parties in compliance of section 177 and 188 of the Act and its disclosures:

According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

- j. In respect of preferential allotment or private placement of shares or debentures:

According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

- k. In respect of non-cash transactions with directors or persons:

According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

- l. In respect of company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934:

The Company is registered under section 45-IA of the Reserve Bank of India Act, 1934.

**For Manubhai & Shah LLP**  
Chartered Accountants

ICAI Firm Registration No. 106041W/W100136

**K. B. Solanki**

Partner

[Membership No. 110299]

Ahmedabad,

Dated : May 2, 2018



**ANNEXURE-B TO THE INDEPENDENT AUDITOR'S REPORT**

The Annexure referred to in Independent Auditor's Report to the members of the Company on the standalone financial statements for the year ended March 31, 2018, we report that:

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of Stanrose Mafatlal Investments and Finance Limited ("the Company") as of March 31, 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial

reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

**Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial

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## STANROSE MAFATLAL INVESTMENTS AND FINANCE LIMITED

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controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls

system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For Manubhai & Shah LLP**

*Chartered Accountants*

*ICAI Firm Registration No. 106041W/W100136*

**K. B. Solanki**

*Partner*

*[Membership No. 110299]*

*Ahmedabad,*

*Dated : May 2, 2018*

**BALANCE SHEET as at 31st March, 2018**

(Amount in Rupees)

Particulars	Note No.	As at 31-3-2018	As at 31-3-2017
<b>I Equity and Liabilities :</b>			
<b>Shareholders' Funds :</b>			
Share Capital .....	2	3,96,79,200	3,96,79,200
Reserves and Surplus .....	3	54,05,42,033	53,50,21,617
		<b>58,02,21,233</b>	<b>57,47,00,817</b>
<b>Non-current Liabilities : .....</b>			
Long Term Provisions	4	13,48,706	14,76,565
		<b>13,48,706</b>	<b>14,76,565</b>
<b>Current Liabilities : .....</b>			
Trade Payables	5		
Due to Micro and Small Enterprises .....		-	-
Due to Others .....		4,60,569	9,18,850
Other Current Liabilities .....		79,82,515	78,56,987
Short-term Provisions .....		1,82,710	4,55,652
		<b>86,25,794</b>	<b>92,31,489</b>
Total .....		<b>59,01,95,733</b>	<b>58,54,08,871</b>
<b>II ASSETS :</b>			
<b>Non-current Assets</b>			
<b>Property, Plant and Equipments : .....</b>			
Tangible Assets .....	6	1,44,66,330	1,43,03,547
<b>Non-current Investments .....</b>	7	<b>29,10,73,574</b>	<b>27,79,63,925</b>
<b>Deferred Tax Assets (Net) .....</b>	8	<b>21,35,352</b>	<b>23,13,021</b>
<b>Long Term Loans and Advances .....</b>	9	<b>11,13,81,580</b>	<b>11,16,42,820</b>
		<b>41,90,56,836</b>	<b>40,62,23,313</b>
<b>Current Assets : .....</b>			
Inventory .....	10	14,53,635	14,73,373
Cash and Cash Equivalents .....		81,93,233	1,48,77,288
Short Term Loans and Advances .....		16,12,47,029	16,28,32,367
Other Current Assets .....		2,45,000	2,530
		<b>17,11,38,897</b>	<b>17,91,85,558</b>
Total .....		<b>59,01,95,733</b>	<b>58,54,08,871</b>

The accompanying notes form an integral part of standalone financial statements.

As per our report of even date attached. <b>For Manubhai &amp; Shah LLP</b> <i>Chartered Accountants</i> ICAI Firm Registration No. : 106041W/W100136 <b>K. B. Solanki</b> <i>Partner</i> Membership no. : 110299 Ahmedabad, Dated : May 2, 2018	For and on behalf of the Board of Directors of Stanrose Mafatlal Investments and Finance Ltd.  <div> <div> <b>P. R. Mafatlal</b>  <i>Chairman</i> </div> <div> <b>M. J. MEHTA</b>  <i>Director &amp; CEO</i> </div> </div> <div> <div> <b>S. A. DAVE</b>  <i>Company Secretary</i> </div> <div> <b>H. V. MEHTA</b>  <i>Chief Financial Officer</i> </div> </div> Mumbai, Dated : May 2, 2018
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**STANROSE MAFATLAL INVESTMENTS AND FINANCE LIMITED**

**STATEMENT OF PROFIT AND LOSS** for the year ended on 31st March, 2018

(Amount in Rupees )

Particulars	Note No.	Year ended 31-03-2018	Year ended 31-03-2017
<b>Revenues :</b>			
Revenue from Operations .....	11	<b>9,11,53,910</b>	9,41,43,628
Other Income .....	12	<b>3,80,493</b>	92,976
Total Revenue		<b>9,15,34,403</b>	9,42,36,604
<b>Expenses :</b>			
Employee benefit expenses .....	13	<b>61,81,633</b>	79,69,946
Depreciation and amortisation expenses .....	6	<b>40,92,088</b>	40,65,747
Other Expenses .....	14	<b>3,27,66,835</b>	2,81,24,969
Total Expenses		<b>4,30,40,556</b>	4,01,60,662
<b>Profit before Exceptional Item &amp; tax .....</b>		<b>4,84,93,847</b>	5,40,75,942
<b>V. Exceptional Item .....</b>	28	<b>75,63,189</b>	-
<b>Profit before Taxes .....</b>		<b>4,09,30,658</b>	5,40,75,942
<b>Tax Expense :</b>			
Current Tax .....		<b>67,00,000</b>	95,00,000
Deferred Tax .....		<b>1,77,669</b>	(1,82,088)
Adjustments of earlier year tax .....		<b>(1,21,681)</b>	12,94,864
		<b>67,55,988</b>	1,06,12,776
<b>Profit for the year .....</b>		<b>3,41,74,670</b>	4,34,63,166
<b>Earnings per equity share (of Rs. 10/- each) .....</b>			
Basic .....		<b>8.61</b>	10.95
Diluted .....		<b>8.61</b>	10.95

The accompanying notes form an integral part of standalone financial statements.

<p>As per our report of even date attached.</p> <p align="center"><b>For Manubhai &amp; Shah LLP</b> Chartered Accountants ICAI Firm Registration No. : 106041W/W100136</p> <p align="center"><b>K. B. Solanki</b> Partner Membership no. : 110299 Ahmedabad, Dated : May 2, 2018</p>	<p align="center">For and on behalf of the Board of Directors of Stanrose Mafatlal Investments and Finance Ltd.</p> <table> <tr> <td align="center"><b>P. R. Mafatlal</b> Chairman</td><td align="center"><b>M. J. MEHTA</b> Director &amp; CEO</td></tr> <tr> <td align="center"><b>S. A. DAVE</b> Company Secretary</td><td align="center"><b>H. V. MEHTA</b> Chief Financial Officer</td></tr> </table> <p align="center">Mumbai, Dated : May 2, 2018</p>	<b>P. R. Mafatlal</b> Chairman	<b>M. J. MEHTA</b> Director & CEO	<b>S. A. DAVE</b> Company Secretary	<b>H. V. MEHTA</b> Chief Financial Officer
<b>P. R. Mafatlal</b> Chairman	<b>M. J. MEHTA</b> Director & CEO				
<b>S. A. DAVE</b> Company Secretary	<b>H. V. MEHTA</b> Chief Financial Officer				

**CASH FLOW STATEMENT for the year ended on 31st March, 2018**

(Amount in Rupees)

	Year ended 31-3-2018	Year ended 31-3-2017
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
NET PROFIT BEFORE TAX AS PER THE STATEMENT OF PROFIT & LOSS	<b>4,09,30,658</b>	5,40,75,942
Adjustments for :		
Depreciation .....	<b>40,92,088</b>	40,65,747
Income from Investments .....	<b>(7,31,25,795)</b>	(6,82,94,526)
Profit on Assets Sold .....	<b>(3,02,842)</b>	-
<b>OPERATING PROFIT / (LOSS) BEFORE WORKING CAPITAL AND INVESTMENTS CHANGES .....</b>	<b>(2,84,05,891)</b>	(1,01,52,836)
Changes in Working Capital Adjustments for :		
Trade Receivables .....	-	6,15,449
Inventories - Stock in trade .....	<b>19,738</b>	2,27,457
Loans and Advances .....	<b>25,56,412</b>	(24,18,446)
Other Current Assets .....	<b>(2,42,470)</b>	1,01,83,196
Trade and other Payables .....	<b>(7,33,554)</b>	(7,19,023)
Refund received from subsidiary Company ...	-	13,77,97,962
Intercompany Deposits given .....	-	(1,50,90,000)
Loan given to others .....	-	(9,85,04,972)
Bank balances not considered as Cash and cash equivalents	<b>(5,28,672)</b>	(6,63,965)
	<b>10,71,454</b>	3,14,27,658
Changes in Investments		
Purchase of investments .....	<b>(6,96,99,400)</b>	(5,71,66,057)
Sale of investments .....	<b>12,97,15,543</b>	8,74,21,536
	<b>6,00,16,143</b>	3,02,55,479
<b>CASH GENERATED FROM OPERATIONS ..</b>	<b>3,26,81,706</b>	5,15,30,301
Direct Taxes (Paid) .....	<b>(72,88,150)</b>	(1,03,28,531)
<b>CASH FLOW FROM OPERATING ACTIVITIES (A)</b>	<b>2,53,93,556</b>	4,12,01,770
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Property, Plant and Equipments	<b>(43,03,528)</b>	(56,61,184)
Sale of Property, Plant and Equipments .....	<b>3,51,500</b>	74,065
<b>CASH FLOW FROM / (USED IN) INVESTING ACTIVITIES (B)</b>	<b>(39,52,028)</b>	(55,87,119)
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Dividend Paid (Including DDT) .....	<b>(2,86,54,255)</b>	(2,86,54,255)
<b>CASH FLOW FROM / (USED IN) FINANCING ACTIVITIES (C)</b>	<b>(2,86,54,255)</b>	(2,86,54,255)
<b>NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C) .....</b>	<b>(72,12,727)</b>	69,60,395

## STANROSE MAFATLAL INVESTMENTS AND FINANCE LIMITED

<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR .....</b>	<b>86,74,309</b>	<b>17,13,914</b>
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<b>CASH AND CASH EQUIVALENTS AT THE CLOSE OF THE YEAR .....</b>	<b>14,61,582</b>	<b>86,74,309</b>
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**Notes :**

- |   |                  |                  |
|---|------------------|------------------|
| 1) Cash and cash equivalents as at the end of the Year: |                  |                  |
| Cash on hand .....                                      | <b>35,424</b>    | <b>93,615</b>    |
| Balances with Banks in Current Accounts .....           | <b>14,26,158</b> | <b>85,80,694</b> |
| <b>Total</b>  | <b>14,61,582</b> | <b>86,74,309</b> |
- 2) The above cash flow statement has been prepared under the "Indirect Method" as set out in the Accounting Standard - 3 on Cash Flow Statement.
- 3) Previous year's figures have been regrouped wherever necessary, to confirm to this year's classification.
- The accompanying notes form an integral part of standalone financial statements.

<p>As per our report of even date attached.</p> <p style="text-align: center;"><b>For Manubhai &amp; Shah LLP</b> Chartered Accountants ICAI Firm Registration No. : 106041W/W100136</p> <p style="text-align: center;"><b>K. B. Solanki</b> Partner Membership no. : 110299 Ahmedabad, Dated : May 2, 2018</p>	<p style="text-align: center;">For and on behalf of the Board of Directors of Stanrose Mafatlal Investments and Finance Ltd.</p> <table style="width: 100%;"> <tr> <td style="width: 50%; text-align: center;"> <b>P. R. Mafatlal</b> Chairman </td><td style="width: 50%; text-align: center;"> <b>M. J. MEHTA</b> Director &amp; CEO </td></tr> <tr> <td style="width: 50%; text-align: center;"> <b>S. A. DAVE</b> Company Secretary </td><td style="width: 50%; text-align: center;"> <b>H. V. MEHTA</b> Chief Financial Officer </td></tr> </table> <p style="text-align: center;">Mumbai, Dated : May 2, 2018</p>	<b>P. R. Mafatlal</b> Chairman	<b>M. J. MEHTA</b> Director & CEO	<b>S. A. DAVE</b> Company Secretary	<b>H. V. MEHTA</b> Chief Financial Officer
<b>P. R. Mafatlal</b> Chairman	<b>M. J. MEHTA</b> Director & CEO				
<b>S. A. DAVE</b> Company Secretary	<b>H. V. MEHTA</b> Chief Financial Officer				

### NOTES TO FINANCIAL STATEMENTS for the year ended 31st March, 2018

#### 1. SIGNIFICANT ACCOUNTING POLICIES

##### 1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS :

The Financial Statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with Accounting Standards notified under Section 133 of the Companies Act, 2013 and the provisions of the RBI as applicable to Non Banking Financial Company (NBFC) without accepting deposits. The Financial Statement have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the Financial Statements are consistent with those followed in the previous year.

##### 1.2 USE OF ESTIMATES :

The presentation of financial statements is in conformity with Indian GAAP requires management to make estimates and assumptions considered in the reported amount of assets and liabilities (including Contingent Liabilities) and the reported income and expense during the year. The Management believes that the estimates used in preparation

of the Financial Statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the period in which the results are known / materialize. Any revision to accounting estimates is recognized prospectively in current and future periods.

##### 1.3 REVENUE RECOGNITION :

- a. Revenue is recognized when no significant uncertainty as to the measurability or collectability exists.
- b. Dividend income is accounted for when the right to receive dividend is established.
- c. Interest income is accounted on accrual basis except in the case of Non-Performing Assets (NPA), where interest income is recognised, upon realisation, as per the RBI guidelines.
- d. All other incomes are recognized and accounted on accrual basis.

##### 1.4 INVESTMENTS :

Long term investments are stated at cost. Provision is made for diminution in value, other than temporary nature, of such investments.

##### 1.5 INVENTORY :

Current investments in shares and securities, acquired in the ordinary course of business are stated as Inventory. As per RBI guidelines,

inventory for each category is valued at cost or Fair Value / Net Asset Value (NAV) whichever is lower.

**1.6 PROPERTY, PLANT AND EQUIPMENTS :**

Property, plant and equipment are stated at cost less depreciation. Cost includes all expenditure of capital in nature incurred to bring the assets at its present location and conditions. Depreciation on Property, plant and equipment is provided as per written down method and as per the life provided in Schedule II of the Companies Act, 2013.

Depreciation on additions / sales of the assets during current year has been provided on pro-rata basis from the date of addition / sales of assets

**1.7 IMPAIRMENT OF PROPERTY, PLANT AND EQUIPMENTS :**

Consideration is given at each balance sheet date to determine whether there is any indication of impairment of the carrying amount of the company's assets. If any indication exists, an assets recoverable amount is estimated. An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount.

Reversal of Impairment losses recognized in prior years are recorded when there is an indication that the impairment losses recognized for the assets no longer exists or have decreased.

**1.8 EMPLOYEE BENEFITS :**

Short term employee benefits and post employment benefits under defined contribution plans are recognized as an expense at the undiscounted amount in the profit and loss account of the year in which the related services are rendered.

Liability in respect of post employment benefit plan is determined based on an independent actuarial valuation carried out using projected unit credit method considering discounting rate relevant to government securities at the balance sheet date. Post employment benefits under defined benefit plans are recognized as an expense in the statement of profit and loss for the year in which the employee has rendered services. Actuarial gains and losses in respect of post employment and other long-term benefits are charged to the profit and loss account.

Other long-term employee benefits are recognized as an expense in the profit and loss account for the period in which the employee has rendered services. Estimated liability on account of long-term benefits is discounted to the current value, using the yield

on government bonds, as on the date of balance sheet, at the discounting rate.

**1.9 PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS :**

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

**1.10 CLASSIFICATION OF LOAN PORTFOLIO AS PERFORMING AND NON-PERFORMING AND PROVISIONING THEREON :**

The Company classifies its loan portfolio and provides provision thereon in accordance with the Non-Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015.

**1.11 Cash Flow Statement :**

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transaction of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated.

**1.12 GENERAL RESERVE II :**

The Company sets apart adequate amount for contingencies for doubtful debts and advances as also for the diminution in the value of long-term investments and such amount is credited to General Reserve II.

**1.13 TAXATION :**

Provision for Current Income tax is made on the basis of estimated taxable income for the period. Deferred Tax is recognized, subject to consideration of prudence, on timing differences between taxable income and accounting income for the period that originates in one period and is capable of reversal in one or more subsequent periods.

**1.14 OPERATING LEASE :**

Lease where significant portion of risk and reward of ownership are retained by the Lessor are classified as Operating Lease and rentals thereon are charged to the Statement of Profit and Loss.

**1.15 FOREIGN EXCHANGE TRANSACTIONS :**

Transactions denominated in foreign currencies are normally recorded at the exchange rates prevailing on the date of the transaction.



## STANROSE MAFATLAL INVESTMENTS AND FINANCE LIMITED

### 1.16 EARNING PER SHARE :

Basic earning per share is computed by dividing the profit / loss after tax by the weighted average number of equity shares outstanding during the year. Diluted earning per share is computed by dividing the profit / (loss) after tax as adjusted for the effects dividend, interest

and other charges relating to the dilutive potential equity shares..

### 1.17 GENERAL :

Accounting policies not specifically referred to are consistent with generally accepted accounting practice.

## 2. SHARE CAPITAL :

Particulars	As at 31-3-2018 Rupees	As at 31-3-2017 Rupees
<b>AUTHORISED SHARE CAPITAL :</b>		
<b>50,00,000</b> (Previous Year 50,00,000) Equity Shares of Rs. 10 each	<b>5,00,00,000</b>	5,00,00,000
<b>Issued, Subscribed and Paid-up :</b>		
<b>39,67,920</b> (Previous Year 39,67,920) Equity Shares of Rs. 10 each	<b>3,96,79,200</b>	3,96,79,200
<b>Total</b>	<b>3,96,79,200</b>	3,96,79,200

#### Notes :

- (i) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting year :
- |  |                  |           |
|--|------------------|-----------|
| Outstanding at the beginning of the year | <b>39,67,920</b> | 39,67,920 |
| Add : Issued During the year             | -                | -         |
| Outstanding at the end of the year       | <b>39,67,920</b> | 39,67,920 |
- (ii) Terms/rights attached to equity shares : The Company has only one class of equity shares having par value of Rs. 10 per share. Each holder of equity shares is entitled to vote per share.
- (iii) Details of Shareholders holding more than 5 per cent equity shares:
- |                                     |           |                 |          |
|-------------------------------------|-----------|-----------------|----------|
| 1. Shanudeep Pvt. Ltd.              | Nos.      | <b>9,80,078</b> | 9,80,078 |
|                                     | % holding | <b>24.70 %</b>  | 24.70 %  |
| 2. Vinadeep Investments Pvt. Ltd.   | Nos.      | <b>4,28,421</b> | 4,19,870 |
|                                     | % holding | <b>10.79 %</b>  | 10.58 %  |
| 3. Sheiladeep Investments Pvt. Ltd. | Nos.      | <b>3,90,297</b> | 3,90,297 |
|                                     | % holding | <b>9.84 %</b>   | 9.84 %   |
- (iv) The holders of equity shares are entitled to dividends, if any, proposed by the Board of Directors and approved by Shareholders at the Annual General Meeting.
- (v) In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

## 3. RESERVES AND SURPLUS :

Particulars	As at 31-3-2018 Rupees	As at 31-3-2017 Rupees
<b>Securities Premium Reserve</b>		
Balance as per last Balance Sheet.	<b>9,91,98,000</b>	9,91,98,000
<b>Reserve U/S.45 IC of RBI Act, 1934:</b>		
Balance as per last Balance Sheet.	<b>13,46,00,000</b>	12,59,00,000
Add : Amount transferred from Statement of Profit and Loss.	<b>70,00,000</b>	87,00,000
	<b>14,16,00,000</b>	13,46,00,000
<b>General Reserve No. I :</b>		
Balance as per last Balance Sheet.	<b>12,50,00,000</b>	12,40,00,000
Add : Transferred from Statement of Profit and Loss	<b>10,00,000</b>	10,00,000
	<b>12,60,00,000</b>	12,50,00,000
<b>General Reserve No. II :</b>		
Balance as per last Balance Sheet.	<b>20,00,000</b>	20,00,000
	<b>20,00,000</b>	20,00,000
<b>Statement of Profit and Loss</b>		
Balance as per last Balance Sheet	<b>17,42,23,617</b>	14,04,60,451
Add : Profit for the year	<b>3,41,74,670</b>	4,34,63,166
Available for Appropriations	<b>20,83,98,288</b>	18,39,23,617
Less: Appropriations:		
Transfer to Reserve u/s 45 IC of RBI Act, 1934	<b>70,00,000</b>	87,00,000
Dividend Paid	<b>2,38,07,520</b>	-
Distribution tax on dividend Paid	<b>48,46,735</b>	-
Transfer to General Reserve No. I	<b>10,00,000</b>	10,00,000
	<b>17,17,44,033</b>	17,42,23,617
<b>Total</b>	<b>54,05,42,033</b>	53,50,21,617

## STANROSE MAFATLAL

Particulars	As at 31-3-2018 Rupees	As at 31-3-2017 Rupees	Particulars	As at 31-3-2018 Rupees	As at 31-3-2017 Rupees
<b>4. NON CURRENT LIABILITIES</b>			<b>OTHER CURRENT LIABILITIES</b>		
LONG TERM PROVISIONS			Statutory Liabilities	864	4,008
Provision for Employee			Unclaimed dividend	67,31,651	62,02,979
Benefits	5,88,706	7,16,565	Other payables	12,50,000	16,50,000
Contingent Provisions against				79,82,515	78,56,987
Standard Assets	7,60,000	7,60,000			
Total	13,48,706	14,76,565			
<b>5. CURRENT LIABILITIES</b>			<b>SHORT TERM PROVISIONS</b>		
TRADE PAYABLES			Provision for Employee		
Sundry Creditors			Benefits	1,82,710	4,55,652
Micro and small enterprises	-	-		1,82,710	4,55,652
(Refer Note 18)					
Others	4,60,569	9,18,850	Total	86,25,794	92,31,489
	4,60,569	9,18,850			

## 6. PROPERTY, PLANT AND EQUIPMENTS

(Amount in Rupees)

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 1-4-2017	Additions during year	Deductions/ Adjust- ments during the year	As at 31-3-2018	As at 1-4-2017	For the year	Deductions during the year	As at 31-3-2018	As at 31-3-2018	As at 31-3-2017
Buildings (Refer Note)	1,25,06,883	-	-	1,25,06,883	70,60,901	6,35,978	-	76,96,879	48,10,004	54,45,982
Furniture & Fixtures ...	87,60,327	11,72,047	-	99,32,374	58,38,837	8,94,103	-	67,32,940	31,99,434	29,21,490
Office Equipment .....	59,58,628	9,16,295	5,65,000	63,09,923	50,10,522	9,02,308	5,36,750	53,76,080	9,33,843	9,48,106
Vehicles .....	1,78,80,654	22,15,186	10,23,475	1,90,72,365	1,28,92,685	16,59,698	10,03,067	1,35,49,316	55,23,049	49,87,969
TOTAL .....	4,51,06,492	43,03,528	15,88,475	4,78,21,545	3,08,02,945	40,92,088	15,39,817	3,33,55,216	1,44,66,330	1,43,03,547
Previous Year. ....	4,00,80,849	56,61,184	6,35,541	4,51,06,492	2,72,98,674	40,65,747	5,61,476	3,08,02,945	1,43,03,547	

Note : Cost of ownership Tenement in Co-operative Society is grouped under the head 'Buildings' and it includes Cost of Shares of the said Society of the face value of Rs. 250 (Previous Year Rs. 250).

## 7. NON-CURRENT INVESTMENTS :

(Amount in Rupees)

Sr. No	Particulars	Face Value per Share	As at 31-3-2018 Qty. (No.)	At Cost or Book Value	As at 31-3-2017 Qty. (No.)	At Cost or Book Value
<b>(A) In Fully Paid Equity Shares of a Subsidiary Company (At Cost) (Unquoted) :</b>						
1.	Stanrose Mafatlal Lubechem Limited .....					
	- In Liquidation .....	5	43,98,216	-	43,98,216	-
2.	Stan Plaza Limited .....	10	50,007	10,03,006	50,007	10,03,006
	Total (A)			10,03,006		10,03,006

## STANROSE MAFATLAL INVESTMENTS AND FINANCE LIMITED

Sr. No	Particulars	Face Value per Share	As at 31-3-2018		As at 31-3-2017	
			Qty. (No.)	At Cost or Book Value	Qty. (No.)	At Cost or Book Value
(B) In Equity Shares of other Companies (At Cost) :						
In Equity Shares :						
(i) Quoted (Fully paid) (Non-Traded) :						
1.	Bajaj Finserv Limited .....	5	3,500	67,86,847	5,000	96,95,496
2.	Housing Development Finance Corp. Ltd. ....	2	15,000	3,17,091	30,000	6,34,182
3.	HDFC Bank Limited. ....	2	38,750	4,56,21,965	35,000	1,83,19,452
4.	Moschip Semiconductor Techno Ltd. ....	2	10,000	5,05,300	-	-
5.	Standard Industries Limited .....	5	1,24,04,487	18,21,90,871	1,24,04,487	18,21,90,871
6.	Infosys limited .....	5	-	-	5,000	49,17,853
7.	Innovassynth Investments Limited .....	10	-	-	25,962	-
9.	ITC Limited .....	1	-	-	45,000	26,27,555
9.	State Bank of India .....	1	-	-	20,000	22,35,147
10.	Tata Steel Limited .....	10	-	-	5,000	13,49,369
11.	Virat Industries Limited .....	10	-	-	34,250	3,42,500
Total B(i)			23,54,22,074		22,23,12,425	
(ii) Unquoted (Fully Paid) :						
1.	Asian Electronics Limited .....	5	1,600	-	1,600	-
2.	Duville Estates Pvt. Ltd. ....	10	14,47,714	5,22,48,204	14,47,714	5,22,48,204
3.	Federal-Mogul Bearings India Limited .....	10	582	55,290	582	55,290
4.	Stanrose Fund Management Services Private Limited .....	100	950	95,000	950	95,000
5.	Futura Polyesters Limited .....	10	78,300	-	78,300	-
6.	Sarju International Limited .....	10	25,000	-	25,000	-
7.	SIP Technologies and Exports Ltd. ....	10	3,000	-	3,000	-
Total B(ii)			5,23,98,494		5,23,98,494	
Total B			28,78,20,568		27,47,10,919	
(C) In Other Investments						
	Farewell - Painting .....			22,50,000		22,50,000
Total C			22,50,000		22,50,000	
Total. (A + B + C)			29,10,73,574		27,79,63,925	

### NOTES :

(a) Aggregate Value of Quoted Investments:		
Cost/Book Value .....	<b>23,54,22,074</b>	22,23,12,425
Market Value .....	<b>37,46,30,045</b>	46,98,65,381
(b) Aggregate Value of Unquoted Investments: .....		
Cost/Book Value .....	<b>5,56,51,500</b>	5,56,51,500

Particulars	As at 31-3-2018 Rupees	As at 31-3-2017 Rupees	Particulars	As at 31-3-2018 Rupees	As at 31-3-2017 Rupees
<b>8. DEFERRED TAX ASSETS</b>			On account of Provisions for :		
On difference between book balance and tax balance of Fixed Assets	<b>19,71,574</b>	17,53,192	-- Standard Assets	-	2,51,279
			-- Compensated Absence	<b>1,63,778</b>	3,08,550
			<b>Total</b>	<b>21,35,352</b>	<b>23,13,021</b>

## STANROSE MAFATLAL

Particulars	As at 31-3-2018 Rupees	As at 31-3-2017 Rupees
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### 9. LONG TERM LOANS & ADVANCES

(Unsecured Considered Good)

Advance to Subsidiary	1,26,45,225	1,26,45,225
Loan to Others	9,85,04,972	9,85,04,972
Loans to Staff	2,31,383	4,92,623
<b>Total</b>	<b>11,13,81,580</b>	<b>11,16,42,820</b>

### 10. CURRENT ASSETS :

(Amount in Rupees)

Particulars	As at 31-3-2018	As at 31-3-2017
<b>INVENTORY</b> (At lower of cost or net realisable value)	<b>14,53,635</b>	<b>14,73,373</b>

Note : Statement of Stock in Trade Investments (Inventories) is as under :

Sr. No.	Name of the Company	Face Value Rs.	Closing Stock (Qty.) As at 31-3-2018	As at 31-3-2017	As at 31-3-2018 Rupees	As at 31-3-2017 Rupees
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#### (A) Equity Shares (Quoted) :

1.	Ankur Drug & Pharma Limited	5	300	300	1,179	1,179
2.	Coffee Day Enterprises Ltd.	10	-	50	-	12,083
3.	Helios & Matheson Info. Tech. Ltd.	10	300	300	3,135	3,135
4.	Hindustan Oil Exploration Co. Ltd.	10	6,800	6,800	2,14,540	2,14,540
5.	KPIT Technologies Ltd	2	800	800	1,17,920	1,17,920
6.	Lambodhara Textiles Ltd.	5	350	350	50,330	50,330
7.	NCC Ltd.	2	-	700	-	53,095
8.	Nestle India Limited	10	147	147	8,48,036	8,48,036
9.	Tata Power Limited	1	700	700	45,255	45,255
10.	Tata Steel Limited	10	474	400	1,65,540	1,27,800
<b>Total (A)</b>					<b>14,45,935</b>	<b>14,73,373</b>
Market Value					<b>24,83,553</b>	19,74,361
Cost					<b>14,45,935</b>	<b>14,73,373</b>

#### (B) In other Investments :

1.	Equity Shares (quoted)					
	Partly-paid of Rs. 154/- per share					
	Tata Steel Limited	10	50	-	7,700	-
<b>Total (B)</b>					<b>7,700</b>	<b>-</b>
Market Value					<b>7,065</b>	<b>-</b>
Cost					<b>7,700</b>	<b>-</b>
<b>Total [ A+B ]</b>					<b>14,53,635</b>	<b>14,73,373</b>
Total Market Value					<b>24,90,618</b>	19,74,361
Total Cost					<b>14,53,635</b>	<b>14,73,373</b>
Lower of cost or net realisable value / Market Value					<b>14,53,635</b>	<b>14,73,373</b>

## STANROSE MAFATLAL INVESTMENTS AND FINANCE LIMITED

	As at 31-3-2018 Rupees	As at 31-3-2017 Rupees		Year ended 31-3-2018 Rupees	Year ended 31-3-2017 Rupees
<b>CASH AND BANK BALANCES</b>			<b>11.1 Profit from Trading of Shares and Securities</b>		
<b>Cash</b>			Sales .....	1,36,600	6,19,80,857
Cash on hand .....	35,424	93,615	Closing Stock .....	14,53,635	14,73,373
Balance with Banks .....			Total (A) .....	15,90,235	6,34,54,230
in Current Accounts .....	14,26,158	85,80,694	Less : Opening Stock .....	14,73,373	17,00,830
<b>Other Bank Balance</b>			Purchases .....	45,440	6,08,31,937
In earmarked accounts			Total (B) .....	15,18,813	6,25,32,767
unpaid dividend accounts .....	67,31,651	62,02,979	Total (A-B) .....	71,422	9,21,463
	<u>81,93,233</u>	<u>1,48,77,288</u>			
<b>SHORT-TERM LOANS AND ADVANCES</b>			<b>12. OTHER INCOME</b>		
(Unsecured, considered good)			Interest on Loan to		
Sundry Deposits	1,29,175	1,26,475	Employees .....	34,569	54,198
Intercompany Deposits	15,87,90,000	15,87,90,000	Profit on sale of property,		
Other advances	56,951	25,07,660	plant and equipment .....	3,02,842	-
Current Maturity of Loan			Miscellaneous Income .....	43,082	38,778
and Advances to Staff	2,26,465	4,33,500	Total .....	3,80,493	92,976
Accrued Interest on Staff					
Loans	1,32,286	1,51,215	<b>13. EMPLOYEE BENEFIT EXPENSES</b>		
Prepaid Expenses	7,80,198	4,01,393	Salaries, Wages and		
Advance Tax (net of Tax			Allowances .....	52,13,407	67,16,716
Provision)	11,31,954	4,22,124	Contribution to Provident &		
Total	<u>16,12,47,029</u>	<u>16,28,32,367</u>	Other Funds .....	4,41,347	5,43,684
			Staff Welfare Expenses .....	5,26,879	7,09,546
			Total .....	61,81,633	79,69,946
<b>OTHER CURRENT ASSETS</b>			<b>14. OTHER EXPENSES</b>		
Interest Receivable	-	2,530	Rent :		
Gratuity Plan Assets	2,45,000	-	Service and Amenities		
	<u>2,45,000</u>	<u>2,530</u>	charges .....	34,04,940	33,39,600
Total	<u>17,11,38,897</u>	<u>17,91,85,558</u>	Leave and License fees	25,25,710	24,15,299
			Rates & Taxes .....	4,10,491	-
			<b>Repairs &amp; Maintenance : ..</b>		
	<b>Year ended</b>	<b>Year ended</b>	-- Building .....	1,600	-
	<b>31-3-2018</b>	<b>31-3-2017</b>	-- Others .....	7,47,301	21,52,795
	<b>Rupees</b>	<b>Rupees</b>	Insurance .....	2,72,226	1,84,218
			Printing & Stationery .....	10,21,393	5,91,067
<b>11. REVENUE FROM OPERATIONS</b>			Postage and Telephone .....	9,99,634	8,83,941
Interest on ICD .....	75,63,189	1,41,26,143	Payment to Auditors .....	4,18,000	9,18,651
Dividend Income from			Commission to Directors ....	12,50,000	16,50,000
Non-current Investments .....	1,03,73,842	1,07,80,063	<b>Legal &amp; Professional Charges :</b>		
Dividend Income from			Legal & Professional		
investment held as stock			Charges .....	23,97,508	11,47,988
in trade .....	19,662	21,433	Retainership fees .....	10,72,300	4,24,300
Profit on Sale of Investments			General Charges .....	13,32,411	10,32,022
(Net) .....	7,31,25,795	6,82,94,526	Motor Car expenses .....	18,91,101	17,50,358
Profit from Trading of Shares			<b>Travelling &amp; Conveyance :</b>		
and Securities .....	71,422	9,21,463	Travelling Expenses .....	8,98,851	6,81,849
Total	<u>9,11,53,910</u>	<u>9,41,43,628</u>	Foreign Travelling Exp. ...	79,67,497	45,13,566
			Donations .....	13,00,000	21,50,000

## STANDROSE MAFATLAL

	Year ended 31-3-2018 Rupees	Year ended 31-3-2017 Rupees
Contribution to corporate social responsibility .....	13,70,000	13,10,000
Miscellaneous Expenses ...	34,85,872	29,79,315
<b>Total</b>	<b>3,27,66,835</b>	<b>2,81,24,969</b>

### 14.1 Payment to Auditors (Including Service-tax) :

(a) As Auditors .....	2,25,000	5,29,000
(b) For Tax Audit .....	25,000	69,000
(c) For Other Work	1,68,000	3,20,651
<b>Total</b>	<b>4,18,000</b>	<b>9,18,651</b>

### 14.2 Corporate Social Responsibility

Gross amount required to be spent during the year .....	13,07,239	11,17,059
Amount spent during the year on		
(i) Construction/acquisition of any asset	-	-
(ii) On purposes other than (i) above	13,70,000	13,10,000

### 15. CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS :

Contingent Liability .....	-	-
Capital Commitments		
Payable towards partly paid shares of Tata Steel (Rs. 461/- per shares)	23,050	-

**16.** The Company is not holding and accepting deposits. Further, the total assets of the Company being less than Rs. 500 Crores, the Prudential Norms on Credit and Investment Concentration and Capital Adequacy are not applicable to it. The Company has complied with all other norms on Income Recognition, Accounting Standards, Assets Classification, Provisioning for Bad and Doubtful Debts & Standard Assets and other related matters as prescribed under the Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015 as amended.

### 17. SEGMENT INFORMATION :

The Company is primarily engaged in the business of Intercompany Investments, Capital Market Activities and Financing. Accordingly there are no separate reportable segments (business and/or geographical) in accordance with the requirements of Accounting Standard 17 - 'Segment Reporting', prescribed under Companies (Accounts) Rules, 2014.

**18.** There are no Micro, Small and Medium Enterprises to whom the Company owes dues which are outstanding as at the Balance Sheet date.

### 19. LEASES :

The Company has an operating Lease rented facility at Mumbai with lock-in-period of 12 months from the date of its commencement. The future rent payments for the facility are as under:

Minimum future lease payments		
Not later than one year	8,22,000	8,22,000
Later than one year and not later than five years	-	-
	<b>8,22,000</b>	<b>8,22,000</b>

### 20. EMPLOYEE BENEFITS :

The Disclosures Required under Accounting Standard 15 (Revised) "Employee Benefits" notified in the Companies (Accounting Standard) Rules, 2006 are given hereunder:

#### 20-A. Defined Contribution Plans

Contribution to Defined Contribution Plans, recognised as expense for the year is as under:

	Year 2017-18 Rupees	Year 2016-17 Rupees
Employer's Contribution to Provident Fund	2,42,367	3,12,469
Employer's Contribution to Superannuation Fund	1,67,746	1,96,472
Employer's Contribution to ESI	31,234	34,743

#### 20-B. Defined Benefit Plans

##### i. Changes in Present Value of Obligations

Present Value of Obligations at the beginning of the year	36,24,000	44,89,000
Interest Cost	2,54,000	3,41,000
Current Service Cost	1,08,000	1,56,000
Actuarial (Gain)/Loss on Obligations	(2,000)	18,000
Benefits Paid	(15,81,000)	(13,80,000)
<b>Present Value of Obligations at the end of the year</b>	<b>24,03,000</b>	<b>36,24,000</b>

##### ii. Changes in the Fair Value of Plan Assets

Fair Value of Plan Assets at the beginning of the year	37,75,000	43,29,000
Expected Return on Plan Assets	2,30,000	3,16,000
Contributions	2,44,000	5,50,000
Actuarial Gain / (loss) on Plan Assets	(20,000)	(40,000)
Benefits Paid	(15,81,000)	(13,80,000)
<b>Fair Value of Plan Assets at the end of the year</b>	<b>26,48,000</b>	<b>37,75,000</b>
Actual return on plan asset	2,10,000	2,76,000

## STANROSE MAFATLAL INVESTMENTS AND FINANCE LIMITED

### iii. The amount recognized in the Balance Sheet for the end of year March 31 (Amount in Rupees)

Particulars	2018	2017	2016	2015	2014
Present Value of Obligations as at the end of the year	24,03,000	36,24,000	44,89,000	36,23,186	34,48,787
Fair value of plan Assets as at the end of the year	26,48,000	37,75,000	43,29,000	37,49,763	30,39,507
Net (Asset) / Liability recognized in Balance sheet	(2,45,000)	(1,51,000)	1,60,000	(1,26,577)	4,09,280
Experience adjustments					
On plan assets (Loss) / Gain	(40,000)	15,000	7,000	48,000	-
On plan liabilities (Gain) / Loss	44,000	(4,000)	3,77,000	71,000	-

**Note :** The details of Experience adjustments have been disclosed to the extent of information available.

	Year 2017-18 Rupees	Year 2016-17 Rupees		Year 2017-18 Rupees	Year 2016-17 Rupees
<b>iv. The amount recognized in the Statement of Profit &amp; Loss</b>			<b>v. Investment Details</b>		
Current Service Cost	1,08,000	1,56,000	Insurer Managed Funds	99.50%	99.70%
Interest Cost	2,54,000	3,41,000	Bank Deposits	0.50%	0.30%
Expected Return on Plan Assets	(2,30,000)	(3,16,000)	<b>vi. The principal actuarial assumptions used as at the balance sheet date for gratuity liability are as under:</b>		
Net actuarial (gain)/ Loss			Discount Rate	7.30%	7.00%
recognized in the year	18,000	58,000	Annual Increase in Salary Cost	5.00%	5.00%
<b>Expenses recognized in the statement of Profit &amp; Loss</b>	<b>1,50,000</b>	<b>2,39,000</b>	Expected Return on Plan Assets	7.00%	7.60%

**20-C.** The liability for leave encashment and compensated absences as at the year end is Rs. 5,88,706 (Previous Year Rs. 9,33,217).

### 21. EARNING PER SHARE :

The details of Basic and Diluted Earnings per share are as under :

Particulars	Year 2017-18	Year 2016-17
Profit after tax (Rs.) .....	3,41,74,670	4,34,63,166
No. of Equity Shares .....	39,67,920	39,67,920
Basic & Diluted Earnings per Share (Rs.) .....	8.61	10.95
Nominal Value of each Equity Share (Rs.) .....	10.00	10.00

### 22. AMOUNT REMITTED DURING THE YEAR IN FOREIGN CURRENCY ON ACCOUNT OF DIVIDENDS:

The Company has not made any remittance in foreign currencies on account of dividends in respect of shares held by non-resident and does not have information as to the extent to which remittance in foreign currencies on account of dividends may have been made by or on behalf of non-resident shareholders. The Particulars of dividends paid during the year to non-resident shareholders are as under:

	Year 2017-18	Year 2016-17
Number of Non-Resident Shareholders .....	33	23
Number of Equity Shares held by them on which Dividend was due .....	7,524	3,744
Amount in Rupees remitted to Bankers or Power-holders in India of the Non-resident Shareholders .....	Rs. 45,144	Rs. 22,464
Year to which dividend relates .....	2016 - 2017	2015 - 2016

### 23. Foreign Currency Transactions :

	Year ended 31-3-2018	Year ended 31-3-2017
Travelling Expenses	Rs. 28,82,444	Rs. 14,88,292
Total	Rs. 28,82,444	Rs. 14,88,292



**24. Disclosure requirement as per Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

	Year <u>2017-18</u>	Year <u>2016-17</u>
<b>Loans to Subsidiaries :</b>		
<b>Stan Plaza Limited</b>		
Oustanding Balance	<b>1,26,45,225</b>	1,26,45,225
Maximum amount outstanding during the year	<b>1,26,45,225</b>	1,26,45,225

**Note :** None of the Loanees named hereinabove has made any investment in the Equity Capital of the Company or its subsidiary.

**25. Related Party Transactions :****(A) Name of related parties and description of relationship :**

- (1) Subsidiary Company
  - Stanrose Mafatlal Lubechem Limited - In Liquidation \*
  - Stanplaza Limited
- (2) Key Management Personnel
  - Shri Pradeep R. Mafatlal
  - Shri Madhusudan J. Mehta - Chief Executive Officer from 11/08/2017
  - Shri Bharat N. Dave
  - Shri Harshad V. Mehta - Chief Financial Officer
  - Shri Soham A. Dave - Company Secretary
- (3) Relative of Key Management Personnel
  - Smt. Pravina Mafatlal
  - Miss Shivani Mafatlal \*
  - Shri Rajanya Mafatlal
- (4) Enterprise over which Key Management Personnel having control or significant influence:
  - Standard Industries Limited [SIL]
  - Stanrose Fund Management Services Private Limited
  - Shanudeep Pvt. Ltd
  - Sheiladeep Investments Pvt.Ltd
  - Vinadeep Investments Pvt.Ltd
  - Gagalbhai Investments Pvt. Ltd.
  - Pradeep Investments Pvt. Ltd.
  - SAP Investments Pvt. Ltd. \*
  - Sheiladeep Holdings Pvt.Ltd \*
  - Gagalbhai Trading Pvt. Ltd. \*
  - Navinchandra Mafatlal Medical Trust
  - Mafatlal Enterprises Ltd. \*
  - Umiya Real Estate Pvt.Ltd. \*
  - Umiya Balaji Real Estate Pvt.Ltd. \*

\* No transaction done during the year.

**STANROSE MAFATLAL INVESTMENTS AND FINANCE LIMITED**

**(B) Related Party Transactions:**

(Amount in Rupees)

Particulars	Subsidiary Company		Key Managerial Personnel		Relatives of Key Management Personnel		Enterprise over which Key Management Personnel having control or significant influence	
	Year 2017-18	Year 2016-17	Year 2017-18	Year 2016-17	Year 2017-18	Year 2016-17	Year 2017-18	Year 2016-17
<b>(A) Volume of Transactions :</b>								
Expenses: Leave and Licence Fees & Other Services :								
Shanudeep Private Limited	-	-	-	-	-	-	59,30,650	57,54,899
Security Charges Reimbursed :								
Stan Plaza Limited	75,000	75,000	-	-	-	-	-	-
<b>C.S.R. Expenditure:</b>								
Navinchandra Mafatlal Medical Trust	-	-	-	-	-	-	13,10,000	12,50,000
<b>Remuneration :</b>								
(1) Shri B. N. Dave	-	-	7,01,600	11,01,600	-	-	-	-
(2) Shri M. J. Mehta	-	-	4,50,000	-	-	-	-	-
(3) Shri H. V. Mehta	-	-	8,45,792	8,44,635	-	-	-	-
(4) Shri S. A. Dave	-	-	5,80,627	4,91,525	-	-	-	-
<b>Dividend Received:</b>								
Standard Industries Limited	-	-	-	-	-	-	93,03,365	93,03,365
<b>Loan given / (Received back)</b>								
(1) Stanplaza Limited	-	(13,77,97,962)	-	-	-	-	-	-
(2) Shri H.V.Mehta	-	-	(1,57,500)	(3,17,500)	-	-	-	-
(3) Shri S. A. Dave	-	-	(1,32,110)	5,00,000	-	-	-	-
<b>Sitting Fees Paid:</b>								
Shri Pradeep R. Mafatlal	-	-	-	-	10,000	15,000	-	-
<b>Commission Paid:</b>								
Shri Pradeep R. Mafatlal	-	-	-	-	14,00,000	15,00,000	-	-
<b>Dividend Paid:</b>								
Shanudeep Private Limited	-	-	-	-	-	-	59,80,468	58,80,468
Sheiladeep Investments Pvt. Ltd.	-	-	-	-	-	-	23,41,782	23,41,782
Vinadeep Investments Pvt. Ltd.	-	-	-	-	-	-	25,19,220	25,19,220
Gagabhai Investments Pvt. Ltd.	-	-	-	-	-	-	2,62,356	2,62,356
Pradeep Investments Pvt. Ltd.	-	-	-	-	-	-	1,08,720	1,08,720
Standard Industries Limited	-	-	-	-	-	-	1,14,054	1,14,054
Shri Pradeep R. Mafatlal	-	-	-	-	84,240	84,240	-	-
Smt. Pravina Mafatlal	-	-	-	-	88,812	88,812	-	-
Shri Rajanya Mafatlal	-	-	-	-	1,044	1,044	-	-
<b>Balances at the Year end:</b>								
Stan Plaza Limited	1,26,45,225	1,26,45,225	-	-	-	-	-	-
Shri H. V. Mehta	-	-	-	1,57,500	-	-	-	-
Shri S. A. Dave	-	-	3,07,890	4,40,000	-	-	-	-

**26. DISCLOSURE OF DETAILS AS REQUIRED UNDER PARA 13 OF NON-BANKING FINANCIAL (NON-DEPOSIT ACCEPTING OR HOLDING) COMPANIES PRUDENTIAL NORMS (RESERVE BANK) DIRECTIONS 2007.**
*(Amount in Rupees)*

Particulars	As at 31-03-2018		As at 31-03-2017	
	Amount Overdue	Amount Outstanding	Amount Overdue	Amount Outstanding

**LIABILITIES SIDE**

1. Loans and Advances availed by the Company (inclusive of interest accrued thereon but not paid)	-	-	-	-
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Particulars	As at 31-03-2018		As at 31-03-2017	
	Amount Outstanding		Amount Outstanding	

**ASSETS SIDE**

(2) Break-up of Loans and Advances(including bills receivable) (Other than those included in (4) below):		
(a) Secured	-	-
(b) Unsecured	26,99,40,197	26,99,40,197
(3) Break up of Leased Assets and Stock on hire and other assets counting towards AFC activities		
(a) Leased Assets	-	-
(b) Stock on hire	-	-
(c) Other Loans counting towards AFC activities	-	-
(4) Break-up of Investments:		
(a) <b>Current Investments:</b>		
Quoted :		
Equity Shares	14,53,635	14,73,373
(b) <b>Long Term investments :</b>		
Quoted :		
Equity Shares	23,54,22,074	22,23,12,425
Unquoted :		
Equity Shares	5,34,01,500	5,34,01,500
Other Investments [Paintings]	22,50,000	22,50,000
(5) Borrower group-wise classification of assets financed as in 2. and 3. above :		

*(Amount in Rupees)*

Category	Amount net of provisions As at 31-03-2018			Amount net of provisions As at 31-03-2017		
	Secured	Unsecured	Total	Secured	Unsecured	Total
(a) Related Parties :						
(i) Subsidiaries	-	1,26,45,225	1,26,45,225	-	1,26,45,225	1,26,45,225
(ii) Companies in the same group	-	-	-	-	-	-
(iii) Other related parties	-	-	-	-	-	-
(b) Other than related parties	-	25,72,94,972	25,72,94,972	-	25,72,94,972	25,72,94,972
<b>Total</b>	-	26,99,40,197	26,99,40,197	-	26,99,40,197	26,99,40,197

## STANROSE MAFATLAL INVESTMENTS AND FINANCE LIMITED

- (6) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):

(Amount in Rupees)

Category	At at 31-03-2018		At at 31-03-2017	
	Market Value / Break up or Fair Value or NAV	Book Value (Net of Provisions)	Market Value / Break up or Fair Value or NAV	Book Value (Net of Provisions)
(a) Related Parties :				
Subsidiaries	10,03,006	10,03,006	10,03,006	10,03,006
Companies in the same group	-	-	-	-
Other related parties	25,55,32,432	18,21,90,871	27,04,17,817	18,21,90,871
(b) Other than related parties	17,39,86,725	10,70,83,332	20,04,18,919	9,39,93,421
<b>Total</b>	<b>43,05,22,163</b>	<b>29,02,77,209</b>	<b>47,18,39,742</b>	<b>27,71,87,298</b>

27. The Company has recommended a Dividend of Rs. 6/- Per Share for the year ended 31st March, 2018 (Previous Year Rs. 6/- Per Share).
28. The Board at its meeting held on 3rd February, 2018 has approved the merger of Surcot Trading Private Limited (Transferor Company) and Umiya Real Estate Private Limited (Transferor Company) with Stanrose Mafatlal Investments and Finance Limited (Transferee Company), by way of a Scheme of Amalgamation and Arrangement ("Scheme") effective from April 01, 2017, to be approved by the National Company Law Tribunal pursuant to the applicable provisions of the Companies Act, 2013. Since Surcot Trading Private Limited is going to be merged with the Company, the Board has decided to waive the interest of Rs. 75.63 lacs outstanding as on September 30, 2017 on the Inter Corporate Deposit and thereafter no interest is charged.
29. Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

<p>As per our report of even date attached.</p> <p><b>For Manubhai &amp; Shah LLP</b> Chartered Accountants ICAI Firm Registration No. : 106041W/W100136</p> <p><b>K. B. Solanki</b> Partner Membership no. : 110299 Ahmedabad, Dated : May 2, 2018</p>	<p>For and on behalf of the Board of Directors of Stanrose Mafatlal Investments and Finance Ltd.</p> <table style="width: 100%;"> <tr> <td style="text-align: center;"><b>P. R. Mafatlal</b> Chairman</td><td style="text-align: center;"><b>M. J. MEHTA</b> Director &amp; CEO</td></tr> <tr> <td style="text-align: center;"><b>S. A. DAVE</b> Company Secretary</td><td style="text-align: center;"><b>H. V. MEHTA</b> Chief Financial Officer</td></tr> </table> <p>Mumbai, Dated : May 2, 2018</p>	<b>P. R. Mafatlal</b> Chairman	<b>M. J. MEHTA</b> Director & CEO	<b>S. A. DAVE</b> Company Secretary	<b>H. V. MEHTA</b> Chief Financial Officer
<b>P. R. Mafatlal</b> Chairman	<b>M. J. MEHTA</b> Director & CEO				
<b>S. A. DAVE</b> Company Secretary	<b>H. V. MEHTA</b> Chief Financial Officer				

**INDEPENDENT AUDITORS' REPORT**  
**TO THE MEMBERS OF**  
**STANROSE MAFATLAL INVESTMENTS**  
**AND FINANCE LIMITED****Report on the Consolidated Financial Statements**

We have audited the accompanying consolidated financial statements of The Stanrose Mafatlal Investments and Finance Limited ("the Holding Company") and its subsidiary (the holding company and its subsidiary together referred to as "the Group"), comprising of the consolidated balance sheet as at March 31, 2018, the consolidated statement of profit and loss, the consolidated cash flow statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

**Management's Responsibility for the Consolidated Financial Statements**

The Holding Company's Board of Directors is responsible for the preparation of the consolidated financial statements in terms of the requirements of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Companies Act, 2013 (hereinafter referred to as "the Act") read with Rule 7 of the Companies (Accounts) Rules, 2014. The Board of Directors of the Company are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the consolidated financial statements based on our audit. While conducting the audit, we have taken into

account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Company, as at March 31, 2018, and their consolidated loss and their consolidated cash flows for the year ended on that date.

**Other matters**

We did not audit the financial statements of subsidiary, included in the consolidated financial results, whose financial statements reflect total assets of Rs. 437.65 Lakhs as at March 31, 2018, total revenues of Rs. 0.93 Lakhs for the year ended March 31, 2018 and total loss of Rs. 4.05 Lakhs for the year ended March 31, 2018. These financial statements have been audited by other auditor whose report has been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary and

## STANROSE MAFATLAL INVESTMENTS AND FINANCE LIMITED

our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary are based solely on the report of the other auditor.

Our opinion on the financial statements and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the report of the other auditors.

### Report on Other Legal and Regulatory Requirements

1. As required by sub-section 3 of Section 143 of the Act, we report, to the extent applicable, that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
  - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
  - (c) The consolidated balance sheet, the consolidated statement of profit and loss, and the consolidated cash flow statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
  - (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2018 taken on

record by the Board of Directors of the Holding Company and the report of the statutory auditor of its subsidiary company incorporated in India, none of the Directors of these companies is disqualified as on 31 March 2018 from being appointed as a Director of that company in terms of Section 164 (2) of the Act.

- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure - A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting; and
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - (i) The Group has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note 15 to the consolidated financial statements;
  - (ii) The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Group.

**For Manubhai & Shah LLP**  
Chartered Accountants

(ICAI Firm's Registration No. 106041W/W100136)

**K. B. Solanki**

Partner

[Membership No. 110299]

Place : Ahmedabad

Dated : May 2, 2018

**ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT**

The Annexure referred to in Independent Auditor's Report to the members of the Group on the consolidated financial statements for the year ended March 31, 2018, we report that

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31 March 2018, we have audited the internal financial controls over financial reporting of The Stanrose Mafatlal Investments and Finance Limited ("the Holding Company") and its subsidiary company (the holding company and its subsidiary together referred to as "the Group"), which is a company incorporated in India, as of that date.

**Management's Responsibility for Internal Financial Controls**

The Respective Board of Directors of the Holding Company and its subsidiary company, which is a company incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the

Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditor in terms of their reports referred to in Other Matters Paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

**Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.



## STANROSE MAFATLAL INVESTMENTS AND FINANCE LIMITED

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, the Holding Company and its subsidiary company, which is a company incorporated

in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

### **Other Matter**

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to Subsidiary Company, which is a company incorporated in India, is based on the corresponding reports of the auditor of such company.

*For Manubhai & Shah LLP*  
*Chartered Accountants*

*ICAI Firm Registration No. 106041W/W100136*

**K. B. Solanki**

*Partner*

*[Membership No. 110299]*

*Place : Ahmedabad*

*Dated : May 2, 2018*

**CONSOLIDATED BALANCE SHEET as at 31st March, 2018**

(Amount in Rupees)

Particulars No.	Note	As at 31-3-2018	As at 31-3-2017
<b>I Equity and Liabilities :</b>			
<b>Shareholders' Funds :</b>			
Share Capital .....	2	3,96,79,200	3,96,79,200
Reserves and Surplus .....	3	53,71,58,854	53,20,43,008
		<b>57,68,38,054</b>	<b>57,17,22,208</b>
<b>Non-current Liabilities : .....</b>			
Long Term Borrowings .....	4	1,97,73,986	1,97,73,986
Long Term Provisions .....		13,48,706	14,76,565
		<b>2,11,22,692</b>	<b>2,12,50,551</b>
<b>Current Liabilities : .....</b>			
Trade Payables			
Due to Micro and Small Enterprises .....		-	-
Due to Others .....		9,40,489	9,33,850
Other Current Liabilities .....		79,82,515	78,56,987
Short-term Provisions .....		1,82,710	28,33,528
		<b>91,05,714</b>	<b>1,16,24,365</b>
Total .....		<b>60,70,66,460</b>	<b>60,45,97,124</b>
<b>II ASSETS :</b>			
<b>Non-current Assets</b>			
<b>Property, Plant and Equipments : .....</b>			
Tangible Assets .....	6	3,97,56,780	3,95,93,997
Intangible Assets .....		70,66,060	70,66,060
Goodwill on Consolidation .....		5,02,936	5,02,936
<b>Non-current Investments .....</b>	7	<b>27,63,21,329</b>	<b>26,32,11,680</b>
<b>Deferred Tax Assets (Net) .....</b>	8	<b>21,35,352</b>	<b>23,13,021</b>
<b>Long Term Loans and Advances .....</b>	9	<b>9,87,36,355</b>	<b>9,89,97,595</b>
<b>Other Non Current assets .....</b>	10	<b>89,88,416</b>	<b>89,88,416</b>
		<b>43,35,07,228</b>	<b>42,06,73,705</b>
<b>Current Assets : .....</b>			
Inventory .....	11	14,53,635	14,73,373
Cash and Cash Equivalents .....		1,02,37,249	1,99,88,595
Short Term Loans and Advances .....		16,16,16,787	16,24,10,243
Other Current Assets .....		2,51,561	51,208
		<b>17,35,59,232</b>	<b>18,39,23,419</b>
Total .....		<b>60,70,66,460</b>	<b>60,45,97,124</b>

The accompanying notes form an integral part of the financial statements.

As per our report of even date attached. <b>For Manubhai &amp; Shah LLP</b> <i>Chartered Accountants</i> ICAI Firm Registration No. : 106041W/W100136 <b>K. B. Solanki</b> <i>Partner</i> Membership no. : 110299 Ahmedabad, Dated : May 2, 2018	For and on behalf of the Board of Directors of Stanrose Mafatlal Investments and Finance Ltd.  <b>P. R. Mafatlal</b> <i>Chairman</i>  <b>S. A. DAVE</b> <i>Company Secretary</i>	<b>M. J. MEHTA</b> <i>Director &amp; CEO</i>  <b>H. V. MEHTA</b> <i>Chief Financial Officer</i>
	Mumbai, Dated : May 2, 2018	

**STANROSE MAFATLAL INVESTMENTS AND FINANCE LIMITED**

**CONSOLIDATED STATEMENT OF PROFIT AND LOSS** for the year ended on 31st March, 2018

(Amount in Rupees )

Particulars	Note No.	Year ended 31-03-2018	Year ended 31-03-2017
<b>Revenues :</b>			
Revenue from Operations .....	12	<b>9,11,53,910</b>	9,41,43,628
Other Income .....	13	<b>4,73,227</b>	1,41,654
Total Revenue		<b>9,16,27,137</b>	9,42,85,282
<b>Expenses :</b>			
Employee benefit expenses .....	14	<b>61,81,633</b>	79,69,946
Depreciation and amortisation expenses .....	6	<b>40,92,088</b>	40,65,747
Other Expenses .....	15	<b>3,32,64,138</b>	2,81,84,810
Total Expenses		<b>4,35,37,859</b>	4,02,20,503
<b>Profit before Exceptional Item &amp; tax</b> .....		<b>4,80,89,278</b>	5,40,64,779
Exceptional Item .....	27	<b>(75,63,189)</b>	-
<b>Profit before tax</b> .....		<b>4,05,26,089</b>	5,40,64,779
<b>Tax Expense :</b>			
Current Tax .....		<b>67,00,000</b>	1,23,00,000
Deferred Tax .....		<b>1,77,669</b>	(1,82,088)
Adjustments of earlier year tax .....		<b>(1,21,681)</b>	13,12,524
		<b>67,55,988</b>	1,34,30,436
<b>Profit for the year</b> .....		<b>3,37,70,101</b>	4,06,34,343
<b>Earnings per equity share (of Rs. 10/- each) .....</b>			
Basic .....	22	<b>8.51</b>	10.24
Diluted .....		<b>8.51</b>	10.24

The accompanying notes form an integral part of the financial statements.

<p>As per our report of even date attached.</p> <p><b>For Manubhai &amp; Shah LLP</b> Chartered Accountants ICAI Firm Registration No. : 106041W/W100136</p> <p><b>K. B. Solanki</b> Partner Membership no. : 110299 Ahmedabad, Dated : May 2, 2018</p>	<p>For and on behalf of the Board of Directors of Stanrose Mafatlal Investments and Finance Ltd.</p> <p><b>P. R. Mafatlal</b> Chairman</p> <p><b>M. J. MEHTA</b> Director &amp; CEO</p> <p><b>S. A. DAVE</b> Company Secretary</p> <p><b>H. V. MEHTA</b> Chief Financial Officer</p> <p>Mumbai, Dated : May 2, 2018</p>
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# **CONSOLIDATED CASH FLOW STATEMENT** for the year ended on 31st March, 2018

(Amount in Rupees)

	Year ended 31-3-2018	Year ended 31-3-2017
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
NET PROFIT BEFORE TAX AS PER THE STATEMENT OF PROFIT & LOSS	4,05,26,089	5,40,64,779
Adjustments for :		
Depreciation .....	40,92,088	40,65,747
Income from Investments .....	(7,31,25,795)	(6,82,94,526)
Profit on Assets Sold .....	(3,02,842)	-
<b>OPERATING PROFIT / (LOSS) BEFORE WORKING CAPITAL CHANGES</b>	<b>(2,88,10,459)</b>	<b>(1,01,63,999)</b>
Changes in Working Capital Adjustments for :		
Trade Receivables .....	-	6,15,449
Inventories - Stock in trade .....	19,738	2,27,457
Loans and Advances .....	25,56,408	(24,18,446)
Other Current Assets .....	(2,00,353)	29,93,715
Trade and other Payables .....	(2,68,633)	(14,46,330)
Intercorporate Deposits given .....	-	(1,50,90,000)
Bank balances not considered as Cash and cash equivalents	(5,28,672)	(6,63,965)
	<b>15,78,488</b>	<b>(1,57,82,120)</b>
Changes in Investments		
Purchase of investments .....	(6,96,99,400)	(50,48,353)
Sale of investments .....	12,97,15,543	8,74,21,536
	<b>6,00,16,143</b>	<b>8,23,73,183</b>
<b>CASH GENERATED FROM OPERATIONS ..</b>	<b>3,27,84,172</b>	<b>5,64,27,064</b>
Direct Taxes (Paid) .....	(1,04,57,908)	(1,03,51,191)
<b>CASH FLOW FROM OPERATING ACTIVITIES (A)</b>	<b>2,23,26,264</b>	<b>4,60,75,873</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Property, Plant and Equipments	(43,03,528)	(56,61,184)
Sale of Property, Plant and Equipments .....	3,51,500	74,065
<b>CASH FLOW FROM INVESTING ACTIVITIES (B)</b>	<b>(39,52,028)</b>	<b>(55,87,119)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Dividend Paid (Including DDT) .....	(2,86,54,255)	(2,86,54,255)
<b>CASH FLOW FROM FINANCING ACTIVITIES (C)</b>	<b>(2,86,54,255)</b>	<b>(2,86,54,255)</b>
<b>NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C) .....</b>	<b>(1,02,80,018)</b>	<b>1,18,34,500</b>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR .....</b>	<b>1,37,85,616</b>	<b>19,51,118</b>

## STANROSE MAFATLAL INVESTMENTS AND FINANCE LIMITED

### CASH AND CASH EQUIVALENTS AT THE CLOSE OF THE YEAR .....

**35,05,598**      1,37,85,618

#### Notes :

- 1) Cash and cash equivalents as at the end of the Year:
 

Cash on hand .....	<b>35,424</b>	93,615
Balances with Banks in Current Accounts .....	<b>18,97,315</b>	86,92,001
Balance with Banks in Fixed Deposit Accounts .....	<b>15,72,859</b>	50,00,000
<b>Total</b>	<b>35,05,598</b>	1,37,85,616
- 2) The above cash flow statement has been prepared under the "Indirect Method" as set out in the Accounting Standard - 3 on Cash Flow Statement.
- 3) Previous year's figures have been regrouped wherever necessary, to confirm to this year's classification.  
The accompanying notes form an integral part of the financial statements.

<p>As per our report of even date attached.</p> <p style="text-align: center;"><b>For Manubhai &amp; Shah LLP</b> Chartered Accountants ICAI Firm Registration No. : 106041W/W100136</p> <p style="text-align: center;"><b>K. B. Solanki</b> Partner Membership no. : 110299 Ahmedabad, Dated : May 2, 2018</p>	<p>For and on behalf of the Board of Directors of Stanrose Mafatlal Investments and Finance Ltd.</p> <table style="width: 100%;"> <tr> <td style="width: 50%; text-align: center;"> <b>P. R. Mafatlal</b> Chairman         </td><td style="width: 50%; text-align: center;"> <b>M. J. MEHTA</b> Director &amp; CEO         </td></tr> <tr> <td style="text-align: center;"> <b>S. A. DAVE</b> Company Secretary         </td><td style="text-align: center;"> <b>H. V. MEHTA</b> Chief Financial Officer         </td></tr> </table> <p>Mumbai, Dated : May 2, 2018</p>	<b>P. R. Mafatlal</b> Chairman	<b>M. J. MEHTA</b> Director & CEO	<b>S. A. DAVE</b> Company Secretary	<b>H. V. MEHTA</b> Chief Financial Officer
<b>P. R. Mafatlal</b> Chairman	<b>M. J. MEHTA</b> Director & CEO				
<b>S. A. DAVE</b> Company Secretary	<b>H. V. MEHTA</b> Chief Financial Officer				

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March, 2018

### 1. SIGNIFICANT ACCOUNTING POLICIES

#### a. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS:

The consolidated financial statements have been prepared by consolidating financial statements of the subsidiary Stanplaza Limited with Stanrose Mafatlal Investments and Finance Limited (together referred to as 'the Group'), in accordance with generally accepted accounting principles and in consonance with Accounting Standard 21 (Consolidated Financial Statements). The consolidated financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act") / Companies Act, 1956 ("the 1956 Act"), as applicable. The consolidated financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the consolidated financial statements are

consistent with those followed in the previous year.

The consolidated financial statements have been prepared by consolidating financial statements of the subsidiary Stanplaza Limited with Stanrose Mafatlal Investments and Finance Limited (together referred to as 'the Group'), in accordance with generally accepted accounting principles and in consonance with Accounting Standard 21 (Consolidated Financial Statements). The consolidated financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the consolidated financial statements are consistent with those followed in the previous year.

#### b. PRINCIPAL OF CONSOLIDATION:

- (i) The consolidated financial statements comprise the financial statements of Stanrose Mafatlal Investments and Finance Limited and its subsidiary.

The consolidated financial statements have been combined on a line-by-line basis by adding the book values of items like assets, liabilities, income and expenses after eliminating intra-group balances/transactions.

These consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar

circumstances. The consolidated financial statements are presented, in the same format as that adopted by holding company for its separate financial statements.

The difference between the cost to the Company of its investments in subsidiaries and its proportionate share in the equity of the subsidiaries is recognized in the consolidated financial statements as Goodwill or Capital reserve, as the case may be.

Minority interest in the net assets of consolidated subsidiaries consists of the amount of equity attributable to the minority shareholders at the dates on which investments are made by the Company in the subsidiary companies and further movements in their share in equity, subsequent to the date of investment.

- (ii) The financial statements of following subsidiary have been consolidated as per Accounting Standard 21 on 'Consolidated Financial Statements' as notified under the Companies (Accounts) Rules, 2014.

<b>Name of the Subsidiary</b>	<b>Proportion of effective ownership interest</b>
Stanplaza Limited	100% Effective from 13th March, 2015

- (iii) Stanrose Mafatlal Lubechem Limited (SMLL) - In Liquidation, a substantially owned subsidiary of Stanrose Mafatlal Investment and Finance Limited has been ordered to be wound-up by the High Court of Mumbai vide its order dated 10th June, 2011 and has appointed official liquidator to take charge of its assets, bank accounts, books of account, affairs, business and properties with all the powers under the provisions of the then prevailing Companies Act, 1956. Accordingly, financial statements of SMLL have not been consolidated as per Accounting Standard 21 on 'Consolidated Financial Statements' as notified under the Companies (Accounts) Rules, 2014.

**c. USE OF ESTIMATES:**

The presentation of financial statements in conformity with Indian GAAP requires management to make estimates and assumptions considered in the reported amount of assets and liabilities ( including Contingent Liabilities ) and the reported income and expense during the year. The Management believes that the estimates used in preparation of the Financial Statements are prudent and reasonable. Future results could differ due to these estimates and the differences between

the actual results and the estimates are recognised in the period in which the results are known/materialize.

**d. REVENUE RECOGNITION:**

- Revenue is recognized when no significant uncertainty as to the measurability or collectability exists.
- Dividend income is accounted for when the right to receive payment is established.
- Interest income is accounted on accrual basis.

**e. INVESTMENTS:**

Non-current Investments are stated at cost less any provision for diminution in value other than temporary.

**f. STOCK-IN-TRADE:**

Current Investments in Shares and Securities, etc., acquired in the ordinary course of business are stated as Stock-in-trade. Stock-in-trade for each category is valued at cost or Fair Value / Net Asset Value (NAV) whichever is lower.

**g. FIXED ASSETS (Tangible and Intangible) :**

Fixed Assets are stated at historical cost less accumulated depreciation.

**h. IMPAIRMENT OF FIXED ASSETS :**

Fixed Assets are reviewed for impairment losses whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the carrying amount of the assets exceeds its recoverable amount, which is the higher of an asset's net selling price and value in use.

**i. DEPRECIATION AND AMORTISATION :**

Depreciation on fixed assets is provided on Written Down Value (WDV) method as per the useful life prescribed in Schedule II of the Companies Act, 2013.

**j. RETIREMENT BENEFITS :**

**Gratuity:**

The Group has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees through Gratuity Trust Fund created by the Group. The Group accounts for the liability for the gratuity benefits payable in future based on an independent actuarial valuation carried out using Projected Unit Credit Method considering discounting Rate relevant to Government Securities at the Balance Sheet Date.

**Provident Fund:**

Retirement Benefits in the form of Provident Fund and Family Pension Fund, which are

## STANROSE MAFATLAL INVESTMENTS AND FINANCE LIMITED

defined contribution schemes, are charged to the Statement of Profit and Loss for the period, in which the contributions to the respective funds accrue.

### Leave Encashment:

Cost of earned leave of the employee is estimated at the end of every year and expensed to the Statement of Profit and Loss for the period in which such leave were earned as Personnel Costs.

### k. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS :

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources.

Liabilities which are of contingent nature are not provided but disclosed at their estimated amount in the Notes to the Financial Statements.

Contingent assets are neither recognized nor disclosed in financial statements.

### l. GENERAL RESERVE II:

The Company sets apart adequate amount for contingencies for doubtful debts and advances as also for the diminution in the value of long-term investments and such amount is credited to General Reserve II.

### m. TAXATION:

Provision for Current Income tax is made on the basis of estimated taxable income for the period. Deferred Tax is recognized, subject to consideration of prudence, on timing differences between taxable income and accounting income for the period that originates in one period and is capable of reversal in one or more subsequent periods.

### n. OPERATING LEASE :

Lease where significant portion of risk and reward of ownership are retained by the Lessor are classified as Operating Lease and rentals thereon are charged to the Statement of Profit and Loss.

### o. FOREIGN EXCHANGE TRANSACTIONS :

Transactions denominated in foreign currencies are normally recorded at the exchange rates prevailing on the date of the transaction.

### p. EARNING PER SHARE :

Basic earning per share is computed by dividing the profit / loss after tax by the weighted average number of equity shares outstanding during the year. Diluted earning per share is computed by dividing the profit / (loss) after tax as adjusted for the effects dividend, interest and other charges relating to the dilutive potential equity shares.

## 2. SHARE CAPITAL :

Particulars	As at 31-3-2018 Rupees	As at 31-3-2017 Rupees
<b>AUTHORISED SHARE CAPITAL :</b>		
<b>50,00,000</b> (Previous Year 50,00,000) Equity Shares of Rs. 10 each	<b>5,00,00,000</b>	<b>5,00,00,000</b>
<b>Issued, Subscribed and Paid-up :</b>		
<b>39,67,920</b> (Previous Year 39,67,920) Equity Shares of Rs. 10 each	<b>3,96,79,200</b>	<b>3,96,79,200</b>
<b>Total</b>	<b>3,96,79,200</b>	<b>3,96,79,200</b>

### Notes :

(i) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting year :		
Outstanding at the beginning of the year	<b>39,67,920</b>	39,67,920
Add : Issued During the year	-	-
<b>Outstanding at the end of the year</b>	<b>39,67,920</b>	<b>39,67,920</b>

Particulars	As at 31-3-2018 Rupees	As at 31-3-2017 Rupees
(ii) Terms/rights attached to equity shares : The Company has only one class of equity shares having par value of Rs. 10 per share. Each holder of equity shares is entitled to vote per share.		
(iii) Details of Shareholders holding more than 5 per cent equity shares:		
Particulars		
1. Shanudeep Pvt. Ltd. Nos. % holding	<b>9,80,078</b> <b>24.70 %</b>	9,80,078 24.70 %
2. Vinadeep Investments Pvt. Ltd. Nos. % holding	<b>4,28,421</b> <b>10.79 %</b>	4,19,870 10.58 %
3. Sheiladeep Investments Pvt. Ltd. Nos. % holding	<b>3,90,297</b> <b>9.84 %</b>	3,90,297 9.84 %
(iv) The holders of equity shares are entitled to dividends, if any, proposed by the Board of Directors and approved by Shareholders at the Annual General Meeting.		
(v) In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.		



## STANDROSE MAFATLAL

Particulars	As at 31-3-2018 Rupees	As at 31-3-2017 Rupees
<b>3. RESERVES AND SURPLUS :</b>		
<b>Securities Premium Reserve</b>		
Balance as per last		
Balance Sheet.	9,91,98,000	9,91,98,000
<b>Reserve U/S.45 IC of RBI Act, 1934:</b>		
Balance as per last		
Balance Sheet.	13,46,00,000	12,59,00,000
Add : Amount transferred		
from Statement		
of Profit and Loss.	70,00,000	87,00,000
	<u>14,16,00,000</u>	<u>13,46,00,000</u>
<b>General Reserve No. I :</b>		
Balance as per last		
Balance Sheet.	12,50,00,000	12,40,00,000
Add : Amount Transferred		
from Statement of		
Profit and Loss	10,00,000	10,00,000
	<u>12,60,00,000</u>	<u>12,50,00,000</u>
<b>General Reserve No. II :</b>		
Balance as per last		
Balance Sheet.	20,00,000	20,00,000
	<u>20,00,000</u>	<u>20,00,000</u>
<b>Statement of Profit and Loss</b>		
Balance as per last		
Balance Sheet	17,12,45,008	14,03,10,665
Add : Profit for the year	3,37,70,101	4,06,34,343
Available for		
Appropriations	20,50,15,109	18,09,45,008
Less: Appropriations:		
Transfer to Reserve		
u/s 45 IC of RBI Act,1934	70,00,000	87,00,000
Dividend Paid	2,38,07,520	-
Distribution tax on		
dividend paid	48,46,735	-
Transfer to General		
Reserve No. I	10,00,000	10,00,000
	<u>16,83,60,854</u>	<u>17,12,45,008</u>
Total	<u>53,71,58,854</u>	<u>53,20,43,008</u>

Particulars	As at 31-3-2018 Rupees	As at 31-3-2017 Rupees
<b>4. NON CURRENT LIABILITIES</b>		
<b>LONG TERM BORROWINGS</b>		
Loan from related		
party - Standard Industries		
Limited	1,97,73,986	1,97,73,986
	<u>1,97,73,986</u>	<u>1,97,73,986</u>
<b>LONG TERM PROVISIONS</b>		
Provision for Employee		
Benefits	5,88,706	7,16,565
Contingent Provisions against		
Standard Assets	7,60,000	7,60,000
	<u>13,48,706</u>	<u>14,76,565</u>
Total	<u>2,11,22,692</u>	<u>2,12,50,551</u>
<b>5. CURRENT LIABILITIES</b>		
<b>TRADE PAYABLES</b>		
Sundry Creditors		
Micro, Small and Medium		
enterprises (Refer Note 18)	-	-
Others	9,40,489	9,33,850
	<u>9,40,489</u>	<u>9,33,850</u>
<b>OTHER CURRENT LIABILITIES</b>		
Statutory Liabilities	864	4,008
Unclaimed dividend	67,31,651	62,02,979
Other payables	12,50,000	16,50,000
	<u>79,82,515</u>	<u>78,56,987</u>
<b>SHORT TERM PROVISIONS</b>		
Provision for Employee		
Benefits	1,82,710	4,55,652
Provision for Taxation (Net		
of advance tax)	-	23,77,876
	<u>1,82,710</u>	<u>28,33,528</u>
Total	<u>91,05,714</u>	<u>1,16,24,365</u>

## STANROSE MAFATLAL INVESTMENTS AND FINANCE LIMITED

### 6. PROPERTY, PLANT AND EQUIPMENTS

(Amount in Rupees)

	GROSS BLOCK (AT COST)				DEPRECIATION				NET BLOCK	
	As at 1-4-2017	Additions during year	Deductions/ Adjust- ments during the year	As at 31-3-2018	As at 1-4-2017	For the year	Dedu- ctions during the year	As at 31-3-2018	As at 31-3-2018	As at 31-3-2017
<b>Tangible Assets</b>										
Free-hold Land .....	2,52,90,450	-	-	2,52,90,450	-	-	-	-	2,52,90,450	2,52,90,450
Building (refer note) ...	1,25,06,883	-	-	1,25,06,883	70,60,901	6,35,978	-	76,96,879	48,10,004	54,45,982
Furniture & Fixtures ...	87,60,327	11,72,047		99,32,374	58,38,837	8,94,103	-	67,32,940	31,99,434	29,21,490
Office Equipment .....	59,58,628	9,16,295	5,65,000	63,09,923	50,10,522	9,02,308	5,36,750	53,76,080	9,33,843	9,48,106
Vehicles .....	1,78,80,654	22,15,186	10,23,475	1,90,72,365	1,28,92,685	16,59,699	10,03,067	1,35,49,317	55,23,049	49,87,969
Total Tangible Assets	7,03,96,942	43,03,528	15,88,475	7,31,11,995	3,08,02,945	40,92,088	15,39,817	3,33,55,216	3,97,56,780	3,95,93,997
<b>Intangible Assets</b>										
Tenancy Rights .....	70,66,060	-	-	70,66,060	-	-	-	-	70,66,060	70,66,060
Total Intangible Assets	70,66,060	-	-	70,66,060	-	-	-	-	70,66,060	70,66,060
<b>TOTAL</b>	7,74,63,002	43,03,528	15,88,475	8,01,78,055	3,08,02,945	40,92,088	15,39,817	3,33,55,216	4,68,22,840	4,66,60,057
Previous Year .....	7,24,37,359	56,61,184	6,35,541	7,74,63,002	2,72,98,674	40,65,747	5,61,476	3,08,02,945	4,66,60,057	

Note - 1 : Cost of ownership Tenement in Co-operative Society is grouped under the head 'Buildings' and it includes Cost of Shares of the said Society of the face value of Rs. 250 (Previous Year Rs. 250).

### 7. NON-CURRENT INVESTMENTS :

(Amount in Rupees)

Sr. Particulars No.	Face Value per Share	As at 31-3-2018 Qty. At Cost or (No.) Book Value		As at 31-3-2017 Qty. At Cost or (No.) Book Value	
<b>(A). In Equity Shares of other Companies (At Cost) :</b>					
<b>(Non-Traded and Fully paid)</b>					
<b>(i) Quoted :</b>					
1. Bajaj Finserv Limited .....	5	3,500	67,86,847	5,000	96,95,496
2. Housing Development Finance Corp. Ltd.	2	15,000	3,17,091	30,000	6,34,182
3. HDFC Bank Limited. ....	2	38,750	4,56,21,965	35,000	1,83,19,452
4. Moschip Semiconductor Techno Ltd. ....	2	10,000	5,05,300	-	-
5. Standard Industries Limited .....	5	1,24,04,487	18,21,90,871	1,24,04,487	18,21,90,871
6. Infosys limited .....	5	-	-	5,000	49,17,853
7. Innovassynth Investments Limited .....	10	-	-	25,962	-
9. ITC Limited .....	1	-	-	45,000	26,27,555
9. State Bank of India .....	1	-	-	20,000	22,35,147
10. Tata Steel Limited .....	10	-	-	5,000	13,49,369
11. Virat Industries Limited .....	10	-	-	34,250	3,42,500
<b>Total B(i)</b>		<b>23,54,22,074</b>		<b>22,23,12,425</b>	
<b>(ii) Unquoted :</b>					
1. Asian Electronics Limited .....	5	1,600	-	1,600	-
2. Duville Estates Pvt. Ltd. ....	10	14,47,714	3,84,98,965	14,47,714	3,84,98,965
3. Federal-Mogul Bearings India Limited .....	10	582	55,290	582	55,290
4. Stanrose Fund Management Services Private Limited .....	100	950	95,000	950	95,000
5. Futura Polyesters Limited .....	10	78,300	-	78,300	-

## STANROSE MAFATLAL

6. Sarju International Limited .....	10	25,000	-	25,000	-
7. SIP Technologies and Exports Ltd. ....	10	3,000	-	3,000	-
		<b>Total B(ii)</b>		<b>3,86,49,255</b>	<b>3,86,49,255</b>
		<b>Total B</b>		<b>27,40,71,329</b>	<b>26,09,61,680</b>
<b>(C) In Other Investments</b>					
Farewell - Painting .....				<b>22,50,000</b>	<b>22,50,000</b>
		<b>Total C</b>		<b>22,50,000</b>	<b>22,50,000</b>
		<b>Total. (A + B + C)</b>		<b>27,63,21,329</b>	<b>26,32,11,680</b>

### NOTES :

(a) Aggregate Value of Quoted Investments:		
Cost/Book Value .....	<b>23,54,22,074</b>	<b>22,23,12,425</b>
Market Value .....	<b>37,46,30,045</b>	<b>46,98,65,381</b>
(b) Aggregate Value of Unquoted Investments: .....		
Cost/Book Value .....	<b>4,08,99,255</b>	<b>4,08,99,255</b>

Particulars	As at 31-3-2018 Rupees	As at 31-3-2017 Rupees
<b>8. DEFERRED TAX ASSETS</b>		
<b>Deferred Tax Assets :</b>		
On difference between book balance and tax balance of Fixed Asstes	<b>19,71,574</b>	<b>17,53,192</b>
On account of Provisions for :		
-- Standard Assets	-	<b>2,51,279</b>
-- Compensated Absence	<b>1,63,778</b>	<b>3,08,550</b>
<b>Total</b>	<b>21,35,352</b>	<b>23,13,021</b>

Particulars	As at 31-3-2018 Rupees	As at 31-3-2017 Rupees
<b>9. LONG TERM LOANS &amp; ADVANCES</b>		
(Unsecured Considered Good)		
Loan to Others	<b>9,85,04,972</b>	<b>9,85,04,972</b>
Loans to Staff	<b>2,31,383</b>	<b>4,92,623</b>
<b>Total</b>	<b>9,87,36,355</b>	<b>9,89,97,595</b>
<b>10. OTHER NON CURRENT ASSETS</b>		
Interest Receivables	<b>89,88,416</b>	<b>89,88,416</b>
<b>Total</b>	<b>89,88,416</b>	<b>89,88,416</b>

### 11. CURRENT ASSETS :

Particulars	As at 31-3-2018 Rupees	As at 31-3-2017 Rupees
<b>INVENTORY</b> (At lower of cost or net realisable value)	<b>14,53,635</b>	<b>14,73,373</b>

Note : Statement of Stock in Trade Investments (Inventories) is as under :

Sr. No.	Name of the Company	Face Value Rs.	Closing Stock (Qty.)		As at 31-3-2018 Rupees	As at 31-3-2017 Rupees
			As at 31-3-2018	As at 31-3-2017		
<b>(A) Equity Shares (Quoted) :</b>						
1.	Ankur Drug & Pharma Limited	5	300	300	1,179	1,179
2.	Coffee Day Enterprises Ltd.	10	-	50	-	12,083
3.	Helios & Matheson Info. Tech. Ltd.	10	300	300	3,135	3,135
4.	Hindustan Oil Exploration Co. Ltd.	10	6,800	6,800	2,14,540	2,14,540
5.	KPIT Technologies Ltd	2	800	800	1,17,920	1,17,920
6.	Lambodhara Textiles Ltd.	5	350	350	50,330	50,330

## STANROSE MAFATLAL INVESTMENTS AND FINANCE LIMITED

Sr. No.	Name of the Company	Face Value Rs.	Closing Stock (Qty.)		As at 31-3-2018 Rupees	As at 31-3-2017 Rupees
			As at 31-3-2018	As at 31-3-2017		
7.	NCC Ltd.	2	-	700	-	53,095
8.	Nestle India Limited	10	147	147	8,48,036	8,48,036
9.	Tata Power Limited	1	700	700	45,255	45,255
10.	Tata Steel Limited	10	474	400	1,65,540	1,27,800
<b>Total (A)</b>					<b>14,45,935</b>	<b>14,73,373</b>
Market Value					<b>24,83,553</b>	<b>19,74,361</b>
Cost					<b>14,45,935</b>	<b>14,73,373</b>
<b>(B) In other Investments :</b>						
1.	[B] Equity Shares (quoted) Partly-paid of Rs. 154/- per share Tata Steel Limited	10	50	-	7,700	-
Total (B)					<b>7,700</b>	<b>-</b>
Market Value					<b>7,065</b>	<b>-</b>
Cost					<b>7,700</b>	<b>-</b>
Total [ A+B ]					<b>14,53,635</b>	<b>14,73,373</b>
Total Market Value					<b>24,90,618</b>	<b>19,74,361</b>
Total Cost					<b>14,53,635</b>	<b>14,73,373</b>
Lower of cost or net realisable value / Market Value					<b>14,53,635</b>	<b>14,73,373</b>

Particulars	As at 31-3-2018 Rupees	As at 31-3-2017 Rupees	Particulars	As at 31-3-2018 Rupees	As at 31-3-2017 Rupees
<b>CASH AND BANK BALANCES</b>			<b>OTHER CURRENT ASSETS</b>		
<b>(A) Cash</b>			Interest Receivable	6,561	51,208
Cash on hand	35,424	93,615	Gratuity Plan Assets	2,45,000	-
Balance with Banks				<b>2,51,561</b>	<b>51,208</b>
in Current Accounts	18,97,315	86,92,001	<b>Total</b>	<b>17,35,59,232</b>	<b>18,39,23,419</b>
In Fixed Deposits Accounts	15,72,859	50,00,000			
<b>(B) Other Bank Balance</b>					
In earmarked accounts					
unpaid dividend accounts	67,31,651	62,02,979			
	<b>1,02,37,249</b>	<b>1,99,88,595</b>			
<b>SHORT-TERM LOANS AND ADVANCES</b>			<b>12. REVENUE FROM OPERATIONS</b>		
(Unsecured, considered good)			Interest on ICD .....	75,63,189	1,41,26,143
Sundry Deposits	1,29,175	1,26,475	Dividend Income from		
Intercompany Deposits	15,87,90,000	15,87,90,000	Non-current Investments .....	1,03,73,842	1,07,80,063
Other advances	56,951	25,07,660	Dividend Income from		
Current Maturity of Loan			investment held as stock		
and Advances to Staff	2,26,465	4,33,500	in trade .....	19,662	21,433
Accrued Interest on Staff			Profit on Sale of Investments		
Loans	1,32,286	1,51,215	(Net) .....	7,31,25,795	6,82,94,526
Prepaid Expenses	7,80,198	4,01,393	Profit from Trading of Shares		
Advance Tax (net of Tax			and Securities .....	71,422	9,21,463
Provision)	15,01,712	-			
Total	<b>16,16,16,787</b>	<b>16,24,10,243</b>	Total	<b>9,11,53,910</b>	<b>9,41,43,628</b>

## STANROSE MAFATLAL

Particulars	Year ended 31-3-2018 Rupees	Year ended 31-3-2017 Rupees	Particulars	Year ended 31-3-2018 Rupees	Year ended 31-3-2017 Rupees
<b>12.1 Profit from Trading of Shares and Securities</b>			Donations .....	13,00,000	21,50,000
Sales .....	1,36,600	6,19,80,857	Contribution to corporate social responsibility .....	13,70,000	13,10,000
Closing Stock .....	14,53,635	14,73,373	Miscellaneous Expenses ...	35,03,254	30,18,356
Total (A) .....	15,90,235	6,34,54,230	Total	3,32,64,138	2,81,84,810
Less : Opening Stock .....	14,73,373	17,00,830			
Purchases .....	45,440	6,08,31,937			
Total (B) .....	15,18,813	6,25,32,767			
Total (A-B) .....	71,422	9,21,463			
<b>13. OTHER INCOME</b>			<b>15.1 Payment to Auditors (Including Service-tax) :</b>		
Interest on Loan to Employees	34,569	54,198	(a) As Auditors .....	2,40,000	5,44,000
Interest Income on fixed deposits .....	92,734	48,678	(b) For Tax Audit .....	25,000	69,000
Profit on sale of property, plant and equipment .....	3,02,842	-	(c) For Other Work	1,68,000	3,20,651
Miscellaneous Income .....	43,082	38,778	Total	4,33,000	9,33,651
Total	4,73,227	1,41,654			
<b>14. EMPLOYEE BENEFIT EXPENSES</b>			<b>15.2 Corporate Social Responsibility</b>		
Salaries, Wages and Allowances .....	52,13,407	67,16,716	Gross amount required to be spent during the year .....	13,07,239	11,17,059
Contribution to Provident & Other Funds .....	4,41,347	5,43,684	Amount spent during the year on		
Staff Welfare Expenses .....	5,26,879	7,09,546	(i) Construction/acquisition of any asset	-	-
Total	61,81,633	79,69,946	(ii) On purposes other than (i) above	13,70,000	13,10,000
<b>15. OTHER EXPENSES</b>			<b>16. CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS :</b>		
<b>Rent :</b>			Contingent Liability .....	-	-
Service and Amenities charges .....	34,04,940	33,39,600	Disputed Income Tax matter for the AY 2015 - 2016 of Subsidiary company .....	9,18,000	9,18,000
Leave and License fees	25,25,710	24,15,299	Capital Commitments		
Rates & Taxes .....	4,10,491	1,200	Payable towards partly-paid shares of Tata Steel (Rs. 461/- per shares)	23,050	-
<b>Repairs &amp; Maintenance : ..</b>			<b>17. The Company is not holding and accepting deposits.</b>		
-- Building .....	1,600	-	Further, the total assets of the Company being less than Rs. 500 Crores, the Prudential Norms on Credit and Investment Concentration and Capital Adequacy are not applicable to it. The Company has complied with all other norms on Income Recognition, Accounting Standards, Assets Classification, Provisioning for Bad and Doubtful Debts & Standard Assets and other related matters as prescribed under the Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015 as amended.		
-- Others .....	7,47,302	21,52,795	<b>18. SEGMENT INFORMATION :</b>		
Insurance .....	2,72,226	1,84,218	The Company is primarily engaged in the business of Intercorporate Investments, Capital Market Activities and Financing. Accordingly there are no separate reportable segments (business and/or geographical) in accordance with the requirements of Accounting Standard 17 - 'Segment Reporting', prescribed under Companies (Accounts) Rules, 2014.		
Printing & Stationery .....	10,21,393	5,91,067			
Postage and Telephone .....	9,99,634	8,83,941			
Payment to Auditors .....	4,33,000	9,33,651			
Commission to Directors ....	12,50,000	16,50,000			
<b>Legal &amp; Professional Charges :</b>					
Legal & Professional Charges .....	28,62,428	11,52,588			
Retainership fees .....	10,72,300	4,24,300			
General Charges .....	13,32,411	10,32,022			
Motor Car expenses .....	18,91,101	17,50,358			
<b>Travelling &amp; Conveyance :</b>					
Travelling Expenses .....	8,98,851	6,81,849			
Foreign Travelling Exp. ...	79,67,497	45,13,566			

## STANROSE MAFATLAL INVESTMENTS AND FINANCE LIMITED

Particulars	Year ended 31-3-2018 Rupees	Year ended 31-3-2017 Rupees						Year 2017-18 Rupees	Year 2016-17 Rupees		
<b>19.</b> There are no Micro, Small and Medium Enterprises to whom the Company owes dues which are outstanding as at the Balance Sheet date.											
<b>20. LEASES :</b>											
The Company has an operating Lease rented facility at Mumbai with lock-in-period of 12 months from the date of its commencement. The future rent payments for the facility are as under:											
	Year 2017-18 Rupees	Year 2016-17 Rupees									
Minimum future lease payments											
Not later than one year	8,22,000	8,22,000									
Later than one year and not later than five years -	-										
	8,22,000	8,22,000									
<b>21. EMPLOYEE BENEFITS :</b>											
The Disclosures Required under Accounting Standard 15 (Revised) "Employee Benefits" notified in the Companies (Accounting Standard) Rules, 2006 are given hereunder:											
<b>21-A. Defined Contribution Plans</b>											
Contribution to Defined Contribution Plans, recognised as expense for the year is as under:											
Employer's Contribution to Provident Fund	2,42,367	3,12,469									
<b>iii. The amount recognized in the Balance Sheet</b>											
	(Amount in Rupees)										
Particulars	2018	2017	2016	2015	2014						
Present Value of Obligations as at the end of the year	24,03,000	36,24,000	44,89,000	36,23,186	34,48,787						
Fair value of plan Assets as at the end of the year	26,48,000	37,75,000	43,29,000	37,49,763	30,39,507						
Net (Asset) / Liability recognized in Balance sheet	(2,45,000)	(1,51,000)	1,60,000	(1,26,577)	4,09,280						
Experience adjustments											
On plan assets (Loss) / Gain	(40,000)	15,000	7,000	48,000	-						
On plan liabilities (Gain) / Loss	44,000	(4,000)	3,77,000	71,000	-						
<b>Note :</b> The details of Experience adjustments have been disclosed to the extent of information available.											
	Year 2017-18 Rupees	Year 2016-17 Rupees								Year 2017-18	Year 2016-17
<b>iv. The amount recognized in the Statement of Profit &amp; Loss</b>											
Current Service Cost	1,08,000	1,56,000									
Interest Cost	2,54,000	3,41,000									
Expected Return on Plan Assets	(2,30,000)	(3,16,000)									
Net actuarial (gain)/ Loss recognized in the year	18,000	58,000									
<b>Expenses recognized in the statement of Profit &amp; Loss</b>	1,50,000	2,39,000									
<b>v. Investment Details</b>											
Insurer Managed Funds	99.50%	99.70%									
Bank Deposits	0.50%	0.30%									
<b>vi. The principal actuarial assumptions used as at the balance sheet date for gratuity liability are as under:</b>											
Discount Rate	7.30%	7.00%									
Annual Increase in Salary Cost	5.00%	5.00%									
Expected Return on Plan Assets	7.00%	7.60%									
<b>21-C.</b> The liability for leave encashment and compensated absences as at the year end is Rs. 5,88,706 (Previous Year Rs. 9,33,217).											

**22. EARNING PER SHARE :**

The details of Basic and Diluted Earnings per share are as under :

Particulars	Year ended <b>31-3-2018</b>	Year ended <i>31-3-2017</i>
Profit after tax (Rs.) .....	<b>3,37,70,101</b>	<i>4,06,34,343</i>
No. of Equity Shares .....	<b>39,67,920</b>	<i>39,67,920</i>
Basic & Diluted Earnings per Share (Rs.) .....	<b>8.51</b>	<i>10.24</i>
Nominal Value of each Equity Share (Rs.) .....	<b>10.00</b>	<i>10.00</i>

**23. AMOUNT REMITTED DURING THE YEAR IN FOREIGN CURRENCY ON ACCOUNT OF DIVIDENDS:**

The Company has not made any remittance in foreign currencies on account of dividends in respect of shares held by non-resident and does not have information as to the extent to which remittance in foreign currencies on account of dividends may have been made by or on behalf of non-resident shareholders. The Particulars of dividends paid during the year to non-resident shareholders are as under:

	Year <b>2017-18</b>	Year <i>2016-17</i>
Number of Non-Resident Shareholders .....	<b>33</b>	<i>23</i>
Number of Equity Shares held by them on which Dividend was due .....	<b>7,524</b>	<i>3,744</i>
Amount in Rupees remitted to Bankers or Power-holders in India of the Non-resident Shareholders .....	<b>Rs. 45,144</b>	<i>Rs. 22,464</i>
Year to which dividend relates .....	<b>2016 - 2017</b>	<i>2015 - 2016</i>

**24. Foreign Currency Transactions :**

	Year ended <b>31-3-2018</b>	Year ended <i>31-3-2017</i>
Travelling Expenses	<b>Rs. 28,82,444</b>	<i>Rs. 14,88,292</i>
Total	<b>Rs. 28,82,444</b>	<i>Rs. 14,88,292</i>

**25. Related Party Transactions :****(A) Name of related parties and description of relationship :****(1) Key Management Personnel**

Shri Pradeep R. Mafatlal      Shri Madhusudan J. Mehta - Chief Executive Officer from 11/08/2017  
 Shri Bharat N. Dave      Shri Harshad V. Mehta - Chief Financial Officer  
 Shri Soham A. Dave - Company Secretary

**(2) Relative of Key Management Personnel**

Smt. Pravina Mafatlal      Miss Shivani Mafatlal \*      Shri Rajanya Mafatlal

**(3) Enterprise over which Key Management Personnel having control or significant influence:**

Standard Industries Limited [SIL]	Stanrose Fund Management Services Private Limited
Shanudeep Pvt. Ltd	Sheiladeep Investments Pvt.Ltd
Vinadeep Investments Pvt.Ltd	Gagalbhai Investments Pvt. Ltd.
Pradeep Investments Pvt. Ltd.	SAP Investments Pvt. Ltd. *
Sheiladeep Holdings Pvt.Ltd *	Gagalbhai Trading Pvt. Ltd. *
Navinchandra Mafatlal Medical Trust	Mafatlal Enterprises Ltd. *
Umiya Real Estate Pvt.Ltd. *	Umiya Balaji Real Estate Pvt.Ltd. *

\* No transaction done during the year.



# STANROSE MAFATLAL INVESTMENTS AND FINANCE LIMITED

## (B) Related Party Transactions:

(Amount in Rupees)

Particulars	Key Managerial Personnel		Relatives of Key Management Personnel		Enterprise over which Key Management Personnel having control or significant influence	
	Year 2017-18	Year 2016-17	Year 2017-18	Year 2016-17	Year 2017-18	Year 2016-17
<b>(A) Volume of Transactions :</b>						
<b>Expenses:</b> Leave and Licence Fees & Other Services :						
Shanudeep Private Limited	-	-	-	-	59,30,650	57,54,899
<b>C.S.R. Expenditure:</b>						
Navinchandra Mafatlal Medical Trust	-	-	-	-	13,10,000	12,50,000
<b>Remuneration :</b>						
(1) Shri B. N. Dave	7,01,600	11,01,600	-	-	-	-
(2) Shri M. J. Mehta	4,50,000	-	-	-	-	-
(3) Shri H. V. Mehta	8,45,792	8,44,635	-	-	-	-
(4) Shri S. A. Dave	5,80,627	4,91,525	-	-	-	-
<b>Dividend Received:</b>						
Standard Industries Limited	-	-	-	-	93,03,365	93,03,365
<b>Loan given (Received back)</b>						
(1) Shri H.V.Mehta	(1,57,500)	(3,17,500)	-	-	-	-
(2) Shri S. A. Dave	(1,32,110)	5,00,000	-	-	-	-
<b>Sitting Fees Paid:</b>						
Shri Pradeep R. Mafatlal	-	-	10,000	15,000	-	-
<b>Commission Paid:</b>						
Shri Pradeep R. Mafatlal	-	-	14,00,000	15,00,000	-	-
<b>Dividend Paid:</b>						
Shanudeep Private Limited	-	-	-	-	58,80,468	58,80,468
Sheiladeep Investments Pvt. Ltd.	-	-	-	-	23,41,782	23,41,782
Vinadeep Investments Pvt. Ltd.	-	-	-	-	25,19,220	25,19,220
Gagalbhai Investments Pvt. Ltd.	-	-	-	-	2,62,356	2,62,356
Pradeep Investments Pvt. Ltd.	-	-	-	-	1,08,720	1,08,720
Standard Industries Limited	-	-	-	-	1,14,054	1,14,054
Shri Pradeep R. Mafatlal	-	-	84,240	84,240	-	-
Smt. Pravina Mafatlal	-	-	88,812	88,812	-	-
Shri Rajanya Mafatlal	-	-	1,044	1,044	-	-
<b>Balances at the Year end:</b>						
<b>Payables</b>						
Standard Industries Limited	-	-	-	-	1,97,73,986	1,97,73,986
<b>Receivables</b>						
Shri H. V. Mehta	-	1,57,500	-	-	-	-
Shri S. A. Dave	3,07,890	4,40,000	-	-	-	-

## STANROSE MAFATLAL

- 26.** The Company has recommended a Dividend of Rs. 6/- Per Share for the year ended 31st March, 2018 (Previous Year Rs. 6/- Per Share).
- 27.** The Board at its meeting held on 3rd February, 2018 has approved the merger of Surcot Trading Private Limited (Transferor Company) and Umiya Real Estate Private Limited (Transferor Company) with Stanrose Mafatlal Investments and Finance Limited (Transferee Company), by way of a Scheme of Amalgamation and Arrangement ("Scheme") effective from April 01, 2017, to be approved by the National Company Law Tribunal pursuant to the applicable provisions of the Companies Act, 2013. Since Surcot Trading Private Limited is going to be merged with the Company, the Board has decided to waive the interest of Rs. 75.63 lacs outstanding as on September 30, 2017 on the Inter Corporate Deposit and thereafter no interest is charged.
- 28.** Additional Information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiary :

Name of the Entity	As at 31-03-2018				As at 31-03-2017			
	Net Assets i.e. total assets minus total liabilities		Share in Profit or Loss		Net Assets i.e. total assets minus total liabilities		Share in Profit or Loss	
	As % of	Amount	As % of	Amount	As % of	Amount	As % of	Amount
	Consolidated Net Assets		Consolidated Profit or loss		Consolidated Net Assets		Consolidated Profit or loss	
<b>Parent</b>								
Stanrose Mafatlal Investment & Finance Limited	100.59%	58,02,21,233	101.20%	3,41,74,671	100.52%	57,47,00,817	106.96%	4,34,63,166
<b>Wholly Owned Subsidiary</b>								
Stan Plaza Limited	-0.59%	(33,83,179)	-1.20%	(4,04,570)	-0.52%	(29,78,609)	-6.96%	(28,28,823)
<b>Total</b>	<b>100.00%</b>	<b>57,68,38,054</b>	<b>100.00%</b>	<b>3,37,70,101</b>	<b>100.00%</b>	<b>57,17,22,208</b>	<b>100.00%</b>	<b>4,06,34,343</b>
Minority Interests in all subsidiaries	-	-	-	-	-	-	-	-

- 29.** Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

As per our report of even date attached.	For and on behalf of the Board of Directors of Stanrose Mafatlal Investments and Finance Ltd.		
<b>For Manubhai &amp; Shah LLP</b> Chartered Accountants ICAI Firm Registration No. : 106041W/W100136	<b>P. R. Mafatlal</b> Chairman	<b>M. J. MEHTA</b> Director & CEO	
<b>K. B. Solanki</b> Partner Membership no. : 110299 Ahmedabad, Dated : May 2, 2018	Mumbai, Dated : May 2, 2018	<b>S. A. DAVE</b> Company Secretary	<b>H. V. MEHTA</b> Chief Financial Officer

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**STANROSE MAFATLAL INVESTMENTS AND FINANCE LIMITED**

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**Form No. AOC-1****Statement containing salient features of the Financial Statement  
of Subsidiaries/Associate Companies/Joint Ventures**

(Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)

**Part "A":Subsidiaries**

(Information in respect of each subsidiary to be presented with amounts in Rs.)

1	SL No.	
2	Name of the Subsidiary	Stan Plaza Limited
3	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	N. A.
4	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	N. A.
5	Share capital	5,00,070
6	Reserves & Surplus	1,03,66,060
7	Total Assets	4,37,65,261
8	Total Liabilities	4,37,65,261
9	Investments	-
10	Turnover	92,734
11	Profit before taxation	(4,04,570)
12	Provision for taxation	0
13	Profit after taxation	(4,04,570)
14	Proposed Dividend	-
15	% of Shareholding	100%

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**Part "B" : Associates and Joint Ventures**

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Not Applicable

For and on behalf of the Board of Directors of Stanrose Mafatlal Investments and Finance Ltd.		
	<b>P. R. Mafatlal</b> <i>Chairman</i>	<b>M. J. MEHTA</b> <i>Director &amp; CEO</i>
Mumbai, Dated : May 2, 2018	<b>S. A. DAVE</b> <i>Company Secretary</i>	<b>H. V. MEHTA</b> <i>Chief Financial Officer</i>

**NOTICE**

NOTICE IS HEREBY GIVEN THAT the Thirty-Eighth Annual General Meeting of the Members of the Company will be held on Tuesday, 25th September, 2018 at 10.30 A.M. at 'Banquet Hall', Karnavati Club Limited, S. G. Highway, Ahmedabad - 380 058, Gujarat, to transact the following business:

**ORDINARY BUSINESS:****Item No. 1. Adoption of Financial Statements****To consider and adopt:**

- (a) the Audited Financial Statements of the Company for the Financial Year ended March 31, 2018 and the Report of Auditors thereon; and
- (b) the Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2018 and the Report of Auditors thereon.

**Item No. 2. Declaration of Dividend**

To declare Dividend on Equity Shares. The Board of Directors has recommended a Dividend of Rs. 6/- per Equity Share of Rs.10/- each

**Item No. 3. Appointment of Director**

To appoint a Director in place of Smt. Datta B. Dave, (DIN 06990663) who retires by rotation and being eligible, offers herself for re-appointment.

**Item No. 4. Ratification of Appointment of Statutory Auditors**

To consider and, if thought fit, to pass, with or without modifications, the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of the Ordinary Resolution passed by the Members at the thirty-Seventh Annual General Meeting (AGM) held on August 4, 2017, appointing M/s. Manubhai & Shah LLP., Chartered Accountants, Ahmedabad, as the Auditors of the Company to hold office from the conclusion of that AGM to the conclusion of the Forty-Second AGM (subject to ratification of the appointment by the members at every AGM held after that AGM), Section 139 of the Companies Act, 2013 and Rules made thereunder and pursuant to the recommendation of the Audit Committee of the Board of Directors, the appointment of M/s. Manubhai & Shah LLP, Chartered Accountants (Regn. No. 106041W/W100136) Ahmedabad, be and is hereby ratified for a period from the conclusion of this Annual General Meeting to the conclusion of the next AGM and that the Board of Directors be and is hereby authorized to fix their remuneration as may be determined by the Audit Committee in consultation with the Auditors."

**Special BUSINESS:****Item No. 5. Continuation of tenure of Shri Kersi J. Pardiwalla, who has completed the age of 75 (seventy five) years.**

To consider and, if thought fit, to pass, with or without modifications, the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable provisions, if any, of the Companies Act, 2013, including any amendment(s), statutory modifications(s) or re-enactment(s) thereof, for the time being in force, approval of the Members of the Company be and is hereby granted for continuation of holding office of Non-Executive-Independent Director of the Company by Shri Kersi J. Pardiwalla (DIN 00015670) who is above the age of 75 (Seventy Five) years as on 1st April, 2019, upto the expiry of his present term of Office i.e. upto the conclusion of Annual General Meeting that may be held for the financial year ending on March 31, 2020, on the existing terms and conditions and whose appointment is duly approved by the members through an Ordinary Resolution passed at the Annual General Meeting held on 4th August, 2017."

**Item No. 6. Continuation of tenure of Shri Arun P. Patel, who has completed the age of 75 years (seventy five).**

"RESOLVED THAT pursuant to Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable provisions, if any, of the Companies Act, 2013, including any amendment(s) statutory modifications(s) or re-enactment(s) thereof, for the time being in force, approval of the Members of the Company be and is hereby granted for continuation of holding office of Non-Executive-Independent Director of the Company by Shri Arun P. Patel (DIN 00830809) who is above the age of 75 (Seventy Five) years as on 1st April, 2019, upto the expiry of his present term of Office i.e. upto the conclusion of Annual General Meeting that may be held for the financial year ending on March 31, 2020, on the existing terms and conditions and whose appointment is duly approved by the members through an Ordinary Resolution passed at the Annual General Meeting held on 4th August, 2017."

**Notes:**

- (a) A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY OR PROXIES TO ATTEND AND ON A POLL TO VOTE INSTEAD OF HIMSELF AND THAT A PROXY NEED NOT BE A MEMBER OF THE COMPANY. A person can act

## STANROSE MAFATLAL INVESTMENTS AND FINANCE LIMITED

as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A Member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for other person or shareholder. The Proxy Form, in order to be valid and effective, must be delivered at the Registered Office of the Company not later than 48 hours before the commencement of the Meeting.

- (b) Members/Proxies should bring the Attendance Slip duly filled in for attending the Meeting. Attendance Slip is attached to the Proxy Form. Members holding shares in dematerialized form are requested to bring their DP ID and Client ID for identification.
- (c) In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
- (d) Corporate Members intending to send their Authorized Representatives to attend the Meeting are requested to send a Certified Copy of the Board Resolution authorizing their Representatives to attend and vote at the Annual General Meeting.
- (e) The Register of Members and the Share Transfer Books of the Company will remain closed from 19th September, 2018 to 25th September, 2018 (both days inclusive) for annual closing and determining the entitlement of the shareholders dividend for 2017-18.
- (f) The Dividend on Equity Shares if declared at the Meeting will be paid on 10th October, 2018 or thereafter to those members whose names shall appear on the Company's Register of Members on 18th September, 2018; in respect of the shares held in demat form the dividend will be paid to members, whose names are furnished by NSDL and CDSL as beneficial owners as on that date.
- (g) Members holding shares in electronic form may note that the Particulars of their address and Bank Account registered against their respective depository account will be used by the Company for payment of dividend. The Company or its Registrar and Transfer Agent cannot act on any request received directly from the members holding shares in electronic form for any change in their address or bank particulars or bank mandates. Such changes are to be advised only to the depository participants of the members. Members holding shares in physical form and desirous of either registering or changing bank particulars already registered against their respective folios are requested to write to the Registrar and Transfer Agent.
- (h) To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or staying abroad or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from concerned DP and holdings should be verified.
- (i) The Company has designated an exclusive email ID viz. [investorcare@stanroseinvest.com](mailto:investorcare@stanroseinvest.com) to enable investors to post their grievances, if any, and monitor its redressal.
- (j) As a part of its Green initiative in Corporate Governance and Circulars issued by Ministry of Corporate Affairs allowing paperless compliances through electronic mode, soft copy of the Annual Report for 2017-18 will be sent along with the Notice to all the members whose email addresses are registered with the Company/its Registrar/Depository Participant(s) unless any member requests for a hard copy of the same. For members who have not registered their email addresses, the Annual Report 2017-18 along with the Notice will be sent in physical. All those members, who have not yet registered, are requested to register their email address with the Registrar/Depository Participant.

Members can download the Notice of the 38th Annual General Meeting and the Annual Report 2017-18 available on the Company's website [www.stanroseinvest.com](http://www.stanroseinvest.com). The physical copies of the aforesaid documents are available at the Company's Registered Office at Ahmedabad for inspection during business hours. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon receipt of request for the same, by post/courier free of cost.

- (k) Additional information, pursuant to Regulation 36(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and para 1.2.5 of Secretarial Standard on General Meeting (SS-2) notified under the Companies Act, 2013 in respect of the directors seeking appointment/reappointment at the AGM, are given hereunder:

### **Mrs. Datta B. Dave**

Mrs. Datta Bharat Dave, (DIN 06990663) aged 73 years is an under-graduate. She being associated with certain NGOs for a number of years, possesses a very good experience in General Administration and Management. She is a Member of Corporate Social Responsibility Committee of the Company. She is holding 18 Equity shares of Rs.10/- each in the Company.

The board considers that her continued association would be beneficial to the Company and it is

desirable to continue to avail her services as a Director. Accordingly, the Board recommends her re-appointment.

Except Stanrose Mafatlal Investments and Finance Limited, she is not holding the position of Director in any other companies. Except Mrs. Dave, being an appointee, none of the Directors and KMPs of the Company and their relatives are concerned or interested, financially or otherwise in the resolution set out at item no. 3.

She is not related to any Director or Key Management Personnel inter-se.

The Company may pay sitting fees and commission to her as a Director of the Company. The details regarding the number of Meetings of the Board attended and remuneration paid to her are given in the Corporate Governance Report.

(I) Voting through electronic means:

- ❖ In compliance with the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide the members facility to exercise their right to vote on resolutions proposed to be passed in the Meeting by electronic means. The members may cast their votes using an electronic voting system from a place other than the venue of the Meeting ('remote e-voting'). The Company has engaged the services of Central Depository Services (India) Limited (CDSL) as the Agency to provide this facility.

- ❖ Members who have cast their votes by remote e-voting prior to the AGM may attend the AGM but will not be entitled to cast their vote again.
- ❖ The facility for voting through ballot will be made available at the AGM, and members attending the AGM who have not cast their vote by remote e-voting will be able to exercise their right at the AGM.

**The instructions for members for voting electronically are as under:- (EVSN -180731005)**

- (i) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (ii) Click on "Shareholders" tab.
- (iii) Now Enter your User ID (For CDSL: 16 digits beneficiary ID, For NSDL: 8 Character DP ID followed by 8 Digits Client ID), Members holding shares in Physical Form should enter Folio Number registered with the Company and then enter the Captcha Code as displayed and Click on Login.
- (iv) Members holding shares in multiple folios / demat accounts shall choose the voting process separately for each of the folios / demat accounts.
- (v) If you are holding shares in Demat form and logged on to [www.evotingindia.com](http://www.evotingindia.com) and cast your vote earlier for EVSN of any company, then your existing password is to be used. If you are a first time user follow the steps given below.
- (vi) Now, both Demat and Physical holders shall fill up the following details in the appropriate boxes: [Refer table given below].

PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department.
DOB#	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account in dd/mm/yyyy format or your folio.
Dividend Bank Details#	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.

\* Members holding shares in physical form and who have not updated their PAN with the Company are requested to use the sequence number which is printed on Address Slip on the Cover of Annual Report.

# Please enter any one of the details in order to login. In case either of the details are not recorded with the depository or Company please enter the member id/folio number in the Dividend Bank details field as mentioned in instruction (iii).

- (vii) After entering these details appropriately, click on "SUBMIT" tab.
- (viii) Members holding shares in physical form will then reach directly the EVSN selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be used by the demat holders for voting resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL. It is strongly recommended to take utmost care to keep your password confidential and not share it with any other person.
- (ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

## STANROSE MAFATLAL INVESTMENTS AND FINANCE LIMITED

- (x) Click on the relevant EVSN on which you choose to vote.
- (xi) On the voting page, you will see "Resolution Description" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xii) Click on the "Resolutions File Link" if you wish to view further description/entire Resolutions.
- (xiii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvi) If Demat account holder has forgotten the changed password, then Enter the User ID and Captcha Code click on Forgot Password & enter the details as prompted by the system.
- (xvii) Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to [www.evotingindia.com](http://www.evotingindia.com), click on 'registration' and fill up the required details. A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) for receiving their login details. After receiving the login details they have to link the account(s) which they wish to vote on and then cast their vote. The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote. Before casting vote, they should upload a scanned copy of the Board Resolution/Power of Attorney (POA) in PDF format in the system for the scrutinizer to verify the same.
- (xviii) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- (xix) The voting period begins on Saturday, 22nd September, 2018 (9:00 a.m.) and ends on Monday, 24th September, 2018 (5:00 p.m.). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 18th September, 2018, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting after 24th September, 2018(5:00 p.m.).
- (xx) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for all mobile users. The m-Voting app can be downloaded from Google Play Store. I-phone and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xxi) Any person who acquires the shares of the Company and becomes a member of the Company after dispatch of the notice and holding shares as on the Cut-off date may obtain the Login Id and password by sending a request at [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com). However, if you are already registered with CDSL for remote e-voting, then the person becoming a member can use his/her existing User ID and password for casting his/her vote.
- (xxii) The Company has appointed Shri Manoj Hurkat, a Practicing Company Secretary, Ahmedabad (Membership No.- 4287, COP No.- 2574), as a Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- (xxiii) The Scrutinizer shall within a period not exceeding three working days from the conclusion of the meeting period unlock the votes in the presence of at least two witnesses not in the employment of the Company and will make a consolidated scrutinizer's report and submit the same to the Chairman. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company [www.stanroseinvest.com](http://www.stanroseinvest.com) and on the website of CDSL [www.cdslindia.com](http://www.cdslindia.com). The results shall simultaneously be communicated to the Stock Exchange.

**Registered Office:**  
Popular House,  
Ashram Road,  
AHMEDABAD - 380 009.  
Mumbai.  
Dated: May 2, 2018

By Order of the Board  
**Soham A. Dave**  
Company Secretary



**ANNEXURE TO THE NOTICE :**

**Explanatory Statement pursuant to Section 102 of the Companies Act, 2013. [It may also be regarded as a disclosure under SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015]:**

In conformity with the provisions of Section 102 of the Companies Act, 2013, the following Explanatory Statement sets out all material facts relating to items Nos. 5 and 6 contained in the accompanying Notice dated May 2, 2018.

**In respect of Item No. 5:**

To comply with the Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and in accordance with the compliance of the SEBI circular SEBI/HO/CFD/CMD/CIR/P/2018/79, dated 10th May, 2018, a Special Resolution is being proposed to be passed by the Members for continuation of holding Office of Non-Executive Independent Director of the Company, by Shri Kersi J. Pardiwalla (DIN 00015670) who is above the age of 75 (Seventy Five) years as on 1st April, 2019 upto the expiry of his present term of office i.e. upto the conclusion of Annual General Meeting that may be held for the financial year ending on March 31, 2020, on the existing terms and conditions and whose appointment is duly approved by the members through an Ordinary Resolution passed at the Annual General Meeting of the Company held on 4th August, 2017. Shri Kersi J. Pardiwalla is a Non-Executive Independent Director of the Company. He is holding 300 Equity Shares of Rs.10 each in the Company.

He joined the Board of Directors of the Company in April 21, 2006. Shri Kersi J. Pardiwalla is a Bachelor of Commerce (B.Com.) and a Fellow Member of the Institute of Chartered Accountants of India (F.C.A.). He possesses long and diverse experience in the field of Finance, Accounting, Taxation, Production, Marketing and Management. He is on the Board of Standard Industries Limited, Stan Plaza Limited, Standard Salt Works Limited and Vinadeep Investments Private Limited. He has been associated with Standard Industries Limited for more than 50 years.

He is the Chairman of the Audit Committee, Nomination and Remuneration Committee and Stakeholders' Relationship Committee and a Member of Corporate Social Responsibility Committee of the Company. He is also the Chairman of the Audit Committee, Stakeholders' Relationship Committee and Nomination and Remuneration Committee and a Member of Share Transfer Committee and Investment Committee of Standard Industries Limited.

**In respect of Item No. 6:**

To comply with the Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and in accordance with the compliance of the SEBI circular SEBI/HO/CFD/CMD/CIR/P/2018/79, dated 10th May, 2018, a Special Resolution is being proposed to be passed by the Members for continuation of holding Office of Non-Executive Independent Director of the Company, by Shri Arun P. Patel (DIN 00830809) who is above the age of 75 (Seventy Five) years as on 1st April, 2019 upto the expiry of his present term of office i.e. upto the conclusion of Annual General Meeting that may be held for the financial year ending on March 31, 2020, on the existing terms and conditions and whose appointment is duly approved by the members through an Ordinary Resolution passed at the Annual General Meeting of the Company held on 4th August, 2017. Shri Arun P. Patel is a Non-Executive Independent Director of the Company. He is holding 175 Equity Shares of Rs.10/- each in the Company.

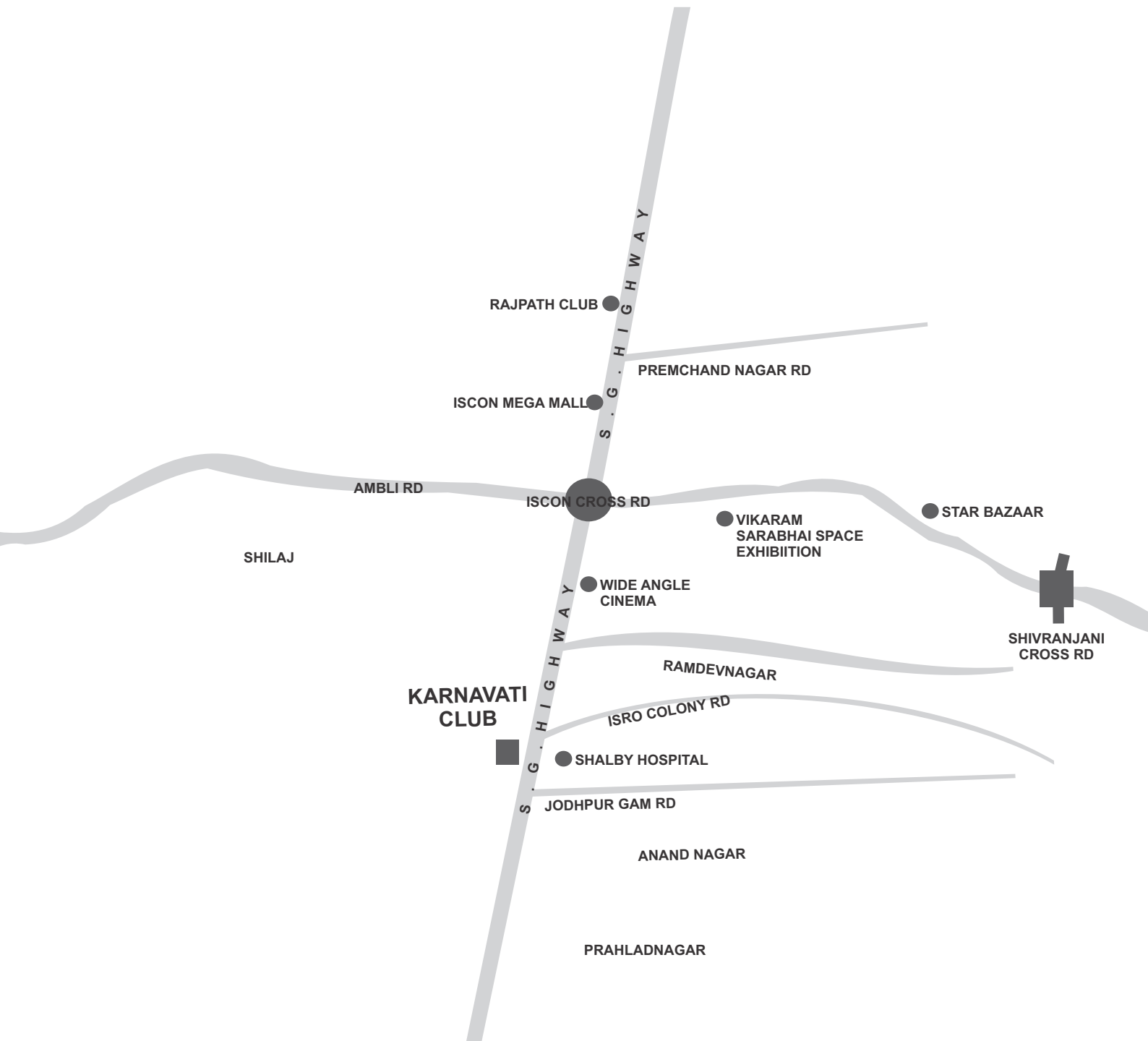
He joined the Board of Directors of the Company in August 4, 1981. Shri Arun P. Patel is a well-known industrialist. Soon after his graduation in Science, he joined in the running of a textile mill formerly known as The Bharat Vijay Mills Ltd. and now as Sintex Industries Limited. Under the guidance and stewardship of Shri Arunbhai as a Vice Chairman of Sintex Industries Limited, its Plastic Division has emerged as the world's largest manufacturer of Plastic tanks besides expanding and strengthening of its original Textile Division. He is also on the Board of Sintex Plastics Technology Limited.

He is a Member of the Audit Committee and Nomination and Remuneration Committee of the Company and a Member of the Share and Debenture Transfer Committee of Sintex Industries Limited.

**Registered Office:**  
Popular House,  
Ashram Road,  
AHMEDABAD - 380 009.  
Mumbai,  
Dated: May 2, 2018

By Order of the Board  
**Soham A. Dave**  
Company Secretary

ROAD MAP TO THE VENUE  
REACHING KARNAVATI CLUB



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# STANROSE MAFATLAL INVESTMENTS AND FINANCE LTD.

CIN: L65910GJ1980PLC003731

Registered Office : Popular House, Ashram Road, Ahmedabad - 380 009

Website: www.stanroseinvest.com Email: info@stanroseinvest.com Tel. 079-26580067/96

Form No. MGT-11

## PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Member (s) : .....

Registered Address: .....

E-mail Id: ..... No. of Shares held .....

Folio No. / Client ID \* ..... DP ID \* .....

I/We, being the member (s) of ..... shares of the above named company, hereby appoint

(1) ..... of .....  
having E-mail Id : ..... or failing him

(2) ..... of .....  
having E-mail Id : ..... or failing him

(3) ..... of .....  
having E-mail Id : .....

\* Applicable for members holding shares in electronic form

and whose signature(s) are appended below as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 38th Annual General Meeting of the Company, to be held on 25th September, 2018 at 10.30 a.m. at 'Banquet Hall', Karnavati Club Limited, S. G. Highway, Ahmedabad - 380 058 and at any adjournment thereof in respect of such resolutions as are indicated below:

Sr. No.	Resolutions
1	Adoption of Financial Statements
2	Declaration of Dividend
3	Re-appointment of Smt. Datta B. Dave
4	Ratification of appointment of Statutory Auditors
5	Continuation of Shri Kersi J. Pardiwalla
6	Continuation of Shri Arun P. Patel

Affix  
15 Paise  
Revenue  
stamp

Signed this ..... day of ..... 2018

Signature of shareholder

Signature of first proxy holder

Signature of second proxy holder

Signature of third proxy holder

Notes:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
2. A Proxy need not be a member of the Company.
3. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
4. Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.
5. In the case of joint holders, the signature of any one holder will be sufficient, but names of all the jointholders should be stated.



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**STANROSE MAFATLAL INVESTMENTS AND FINANCE LTD.**

CIN: L65910GJ1980PLC003731

*Registered Office* : Popular House, Ashram Road, Ahmedabad - 380 009.

Website: [www.stanroseinvest.com](http://www.stanroseinvest.com) Email: [info@stanroseinvest.com](mailto:info@stanroseinvest.com) Tel. 079-26580067/96

**ATTENDANCE SLIP**

(To be handed over at the entrance of the meeting hall)

**38th Annual General Meeting - 25th September, 2018**

DP ID No. .... Client ID No. ....

I hereby record my presence at the Thirty-Eight Annual General Meeting of the Company held at Banquet Hall, Karnavati Club Ltd., S.G. Highway, Ahmedabad 380058 at 10.30 A.M.

Full name of Member (In Block Letters)	Reg. Folio No.
Full name of Proxy (In Block Letters) (to be filled if the Proxy attends instead of the member)	No. of Shares held

Member's/Proxy's Signature .....

*If undelivered please return to :*  
**STANDROSE MAFATLAL**  
**INVESTMENTS AND FINANCE LTD.**  
Popular House,  
Ashram Road,  
Ahmedabad-380 009.

Patel Printers, Ahmedabad. Ph. : 25625611